

Herald Tribune

Published with The New York Times and The Washington Post

0,347

**R

PARIS, THURSDAY, SEPTEMBER 11, 1980

Established 1887

Libya, Syria Seal Merger

Leaders End Talks, Vow to 'Liberate Palestine'

SCUS, Sept. 10 (AP) — A Libya-Syria merger was announced today by the two Arab countries, vowing to confront Israel and oppose a "Middle East peace process."

Col. Moammar Qadhafi, leader of the revolution, declared the merger in a joint communiqué with Hafez al-Assad of Syria, the president of the Syrian Arab Republic.

The communiqué pledged a "political, economic and military" union aimed at uniting the two countries and their 15 million people with a common goal: "Arab revolution."

The failure of previous attempts at unity and the fact that Syria and Libya are 650 miles apart — there was skepticism the merger would be accomplished within a month to form a new government.

There was no official comment because of the start of the New Year holiday. But Minister Menachem Begin said that Syria needed to be united with Israel.

When asked about the plan, he said with a smile: "That's very encouraging. I then laughed. Mr. Sadat said the plan is 'children's work.'"

Damascus radio broadcast the merger after Mr. Assad returned from Libya. Tripoli radio said Libyans were dancing in the streets of the capital at the news.

The proclamation listed 13 principles of the new state, including using it as "the base and the tool for confrontation with Israel and the liberation of Palestine."

The new state "will be the base of all opposition against imperialism and Zionism and the backbone of the Palestine liberation movement," the communiqué said, adding that it would oppose the U.S.-sponsored Camp David accords that led to a peace treaty between Egypt and Israel.

The new state will be a center of "confrontation against the parties of Camp David, represented by American imperialism, the Zionist enemy and the agent regime of Sadat," the communiqué said.

Mr. Assad and Col. Qadhafi have accused Mr. Sadat of betraying the Arab cause and signing a separate peace with Israel. Egypt, the largest Arab country, bore the brunt of the fighting in four Arab-Israeli wars. Syria fought in three of the wars, but Libya has not directly participated in fighting against Israel.

Interests Advanced
For Mr. Assad, whose nation is beset by violent internal opposition from Moslem fundamentalist groups, the merger would enhance his role as a pan-Arab leader. For Col. Qadhafi, it advances his ideal of Arab unity.

Libya's oil income — \$16 billion a year by conservative estimates — could also be a boon to Mr. Assad's efforts to modernize and upgrade his Soviet-equipped army.

The communiqué did not name the new state, its leader or its seat of government, but said a "revolutionary congress" would assume legislative powers. Informed sources said most likely there would be a presidency council, with Col. Qadhafi and Mr. Assad alternately assuming the presidency.

Libya and Syria could muster a 242,000-man army and 4,600 tanks, backed by 590 combat aircraft, according to the London-based Institute of Strategic Studies. Military sources said the joint forces would not be an immediate threat to Israel, which can mobilize an army of 400,000 with 3,050 U.S.-made tanks and 576 planes, including the most sophisticated jet in the American arsenal, the F-15.

Moscow Trip Seen

Arab press reports have speculated that Mr. Assad will travel to Moscow after completing the union plans to negotiate for arms, particularly more MiG-25 jets, advanced surface-to-air missiles and T-72 tanks.

Mr. Assad quickly accepted Col. Qadhafi's proposal Sept. 1 to unify the two states. Since 1969, when Col. Qadhafi came to power, Libya has failed in efforts to unify with Egypt, Sudan and Tunisia. Syria's efforts to unify with Egypt, Sudan and Iraq also have broken down.

Foreign Minister Abdel Halim Khaddam of Syria visited Riyadh, Saudi Arabia, and explained the merger to Crown Prince Fahd. Riyadh radio reported.



N.Y. Rep. Elizabeth Holtzman gives victory sign after winning Democratic senatorial primary.

Javits Loses Republican Primary But Will Run on Liberal Ticket

By Helen Dewar

WASHINGTON, Sept. 10 (WP) — Sen. Jacob Javits, R-N.Y., lost his bid for the Republican nomination to a fifth term yesterday in the most stunning upset so far in the 1980 congressional primaries.

Sen. Javits, 76 and ailing, ran behind conservative Alfonse D'Amato, a Long Island municipal official, in the first Republican primary challenge of his nearly quarter-century Senate career. With 98 percent of the vote counted from the bitter race, Mr. D'Amato led Sen. Javits, 56 to 44 percent.

In the state's Democratic senatorial race, Rep. Elizabeth Holtzman, D-N.Y., won the nomination, defeating former Miss America and consumer advocate Bess Myerson, former New York City Mayor John Lindsay and Queens District Attorney John Santucci.

Sen. Javits, a leading liberal voice in Congress, has the Liberal Party's nomination for the Senate and hence can still win in November. Although he had suggested earlier he might not run if he lost the Republican nomination, he said last night he would wage a vigorous campaign this fall and added, "I expect to win re-election in November."

Anderson Endorsed

Sharing the Liberal Party endorsement with independent presidential candidate John Anderson, Sen. Javits may well add to Rep. Anderson's vote, which is expected to come at the expense of President Carter in New York.

In two races where Abscam defendants were seeking re-election, Rep. Richard Kelly, R-Fla., was defeated, while Rep. John Murphy, D-N.Y., was renominated.

In Florida, Sen. Richard Stone, D-Fla., assaulted from left and right in his bid for renomination, appeared headed for an October runoff primary with State Insurance Commissioner Bill Gunter, whom Sen. Stone defeated in a runoff primary in 1974. Rep. Edward Stack, D-Fla., was defeated in his first bid for re-election.

In Connecticut, former New



Sen. Jacob Javits

York Sen. James Buckley won the Republican nomination to run against Democratic Rep. Christopher Dodd in the November race to succeed retiring Democratic Sen. Abraham Ribicoff.

In brief remarks to supporters at a Manhattan hotel, Sen. Javits said "recreations... are not in order" and said he interpreted the

Republican primary vote "as I have taken every other [experience] in life — as a means of learning and as an incentive to do better rather than as a repudiation."

Sen. Javits is a voice of liberalism in a party dominated by conservatives, one of the Senate's keenest intellects and a key link in the bipartisan centrist network that normally runs Congress. Mr. D'Amato, 43, presiding supervisor of the township of Hempstead on Long Island, ran a hard-hitting campaign, hammering directly at the senator's age and his affliction with a progressively crippling nerve disorder that Sen. Javits disclosed in announcing for re-election last February.

Rep. Holtzman, flanked by writer Gloria Steinem and former Rep. Bella Abzug, told a crowd at her campaign headquarters that they came from behind victory "shows that someone who, from the beginning, has stood up to the special interests... stood up to the political machine... can be a winner in New York State."

In New Hampshire, Melvin Thompson, the conservative former

(Continued on Page 2, Col. 7)

Poles, Russians Meet to Discuss Economic Help

MOSCOW, Sept. 10 (NYT) — A high-level delegation of Polish officials began talks in Moscow today, apparently to get Soviet help in avoiding economic disaster after two months of strikes and huge government wage concessions to militant workers.

Tass said the Polish delegation, led by Deputy Premier Mieczyslaw Jagielski, met with Soviet officials including the chief planning official, Nikolai Baibakov, and trade experts this afternoon.

No details of the talks were revealed, although Tass said the group discussed "important questions of Soviet-Polish economic relations" in "a warm and friendly atmosphere."

Just as important, Mr. Jagielski also met the 77-year-old chief ideologist of the Soviet Politburo, Mikhail Suslov, probably to try to explain political aspects of the Polish settlement known to have troubled the Russians.

U.S. Unions Aid

In another development, Polish Foreign Ministry officials said yesterday that the government has complained to the U.S. Embassy about financial aid to Poland's new independent trade unions from the American labor movement.

The officials, who declined to be identified, said they feared the aid could be construed as outside interference and could play into the hands of those who wanted to suppress the new unions. "These several thousand dollars could do a great deal of harm," an official said.

Five days ago, the leaders of the AFL-CIO voted unanimously at a meeting in Washington to establish a Polish workers' aid fund with an initial contribution of \$25,000.

The Polish officials indicated they were concerned not so much about the Soviet Union, which has criticized the funding activities of Western trade unions, as about hard-liners in the Polish Communist Party. Some party officials are opposed to the new unions, which they see as a threat to the dominant role of the party.

Meanwhile, Polish workers in cit-

ies and towns across the country continued today to defy the pleas of party leader Stanislaw Kania for a return to work. Dissident sources and the official news agency PAP listed more than a dozen locations where workers were on strike. Most are seeking not only the independent trade unions won last month by the strikers in the Baltic cities and in Silesia but also the redress of local grievances.

Pressing for Dismissals

It appeared unlikely that the smaller strikes would develop into a national stoppage. But they may last for some time, because the workers seem to consider the relatively relaxed atmosphere at present the ideal chance to press for the dismissal of unpopular factory chiefs and local party leaders.

Clearly, the continuing industrial unrest is worrying the new regime in Warsaw, and last night, Mr. Kania warned that the stoppages would hurt the workers' chances of securing improved living conditions.

In a speech to a party rally in the coal-mining city of Katowice in southern Poland, Mr. Kania said that the party must do its best to restore the normal rhythm of work. He added: "If we fail to do it, we shall not be able to fulfill the welfare part of our promises given to workers, so the community must be made fully aware."

The Kremlin is thought to have accepted the necessity of the political settlement with the Polish workers only reluctantly, as the price of avoiding the collapse of a key Eastern European ally, and to have approved the subsequent replacement of Edward Gierka, as party chief by Mr. Kania. But leaders of the strike movement have been repeatedly criticized in the Soviet press as anti-Socialist.

Not Eager to Help

Foreign diplomats studying the situation said today's discussions in Moscow probably centered around the problem of how the Polish government would pay for the settlement it made with the workers last week to get them to go back to their jobs. So far, the Russians have not appeared eager to help.

A Polish official in the delegation, Henryk Kisiel, said in Warsaw on Monday that workers would get the equivalent of 33.3 billion in higher wages and that the authorities would cut back on exports of meat and consumer goods to make sure there will be enough to buy with the extra wages.

Almost one-third of Poland's foreign trade is with the Soviet Union; last year, Poland bought slightly more from the Soviet Union than it sold there.

5-Point Plan Outlined in Speech Reagan Pledges Vast Economic Reform

By Douglas E. Kneeland

CHICAGO, Sept. 10 (NYT) — Ronald Reagan, in a long-awaited major speech on the economy, outlined here yesterday a five-year program designed to "balance the budget, reduce tax rates and restore our defenses."

The Republican presidential nominee reiterated his call for a 30-percent reduction in federal income taxes over three years and said that he could cut government expenditures by at least \$195 billion in the next five years to achieve his goals.

Accusing President Carter of economic failures that have amounted to "an assault on the hopes and dreams of millions of American families," Mr. Reagan promised "a new strategy for the 1980s" consisting of "a series of well-planned economic actions taken so that they complement and reinforce one another" to "move our economy forward again."

However, Mr. Reagan, in his luncheon speech, told the International Business Council, a Chicago-based organization dedicated to promoting foreign trade, that the "American tragedy" produced by Mr. Carter's "economic mess" could not be ended easily or immediately.

Private Dinner

"It is going to require the most dedicated and concerted peacetime action ever taken by the American people for their country," he said. Monday night, after a private dinner with Mr. Reagan, former President Gerald Ford, declared that he did not agree with the proposal to cut taxes by 10 percent in each of the next three years.

Mr. Ford said that he did not "think at this stage we can see down the road what the economic situation will be in 36 months." However, Mr. Ford did espouse the plan for a 10-percent cut next year, provided it was accompanied by restraint in federal spending.

Mr. Reagan's 300 listeners yesterday were restrained in their response, interrupting him only once with applause.

Points of Program

Mr. Reagan provided no startling new proposals, but he pulled together many that he had been discussing throughout his campaign in the most cohesive package he has presented on the subject.

Outlining in general terms the economic program that his advi-

ers have been promising for months, Mr. Reagan said it would be based on the following points:

- The rate of growth of government spending must be kept at "reasonable and prudent levels."
- Personal income tax rates must be reduced and depreciation schedules accelerated and simplified "in an orderly, systematic way to remove the disincentives to work, savings, investment and productivity."
- Regulations that affect the economy must be reviewed and changed "to encourage economic growth."
- "A stable, sound and predictable" (Continued on Page 2, Col. 2)

Senators Ask Probe of Spy Case Intelligence Defeat Feared in Death of Agent

By Charles Mohr

WASHINGTON, Sept. 10 (NYT) — Sens. Daniel Patrick Moynihan and Malcolm Wallop have agreed to ask the Senate Select Committee on Intelligence to investigate the circumstances that led to the exposure and death of a Soviet official who had served as a United States spy in Moscow.

Mr. Moynihan, D-N.Y., and Mr. Wallop, R-Wyo., relayed word of their decision through staff assistants, saying they expected to write today to the chairman and vice chairman of the intelligence committee, Sens. Birch Bayh, D-Ind., and Barry Goldwater, R-Ariz.

A member of the Senate staff said that the two senators want to determine whether the United States had suffered a "major defeat" in the intelligence war and "do we know why."

Another Senate staff member reported that Sen. Gordon J. Humphrey, R-N.H., asked the director of the Central Intelligence Agency, Adm. Stansfield Turner, last week about the status of any Federal Bureau of Investigation investigation into the case.

Implications

The case, which may have political as well as intelligence implications, has been the focus of Washington gossip and the subject of several press accounts.

One political aspect of the matter is an accusation that the last communication of the now dead Soviet official purported to describe a conversation between former Secretary of State Henry Kissinger and Ambassador Anatoly Dobrynin of the Soviet Union in which Mr. Kissinger was allegedly critical of the March 1977 bargaining position of President Carter on nuclear arms talks.

A second political question, and one of national security as well, involves unsubstantiated and unattributed accusations that an unnamed administration official was in some degree responsible, through an indiscretion, for divulging the Russian's identity.

Indiscretion

Mr. Kissinger has vigorously denied suggestions that he may have encouraged the Soviet Union to reject Carter's 1977 proposals for major reductions in strategic nuclear weapons. And there have also been strong denials that any administration official's indiscretion caused the death of the spy in Moscow.

Tried for Treason

The Soviet press reported in 1978 that an official named Anatoly Filatov had been tried for treason and executed. He is believed to have been the agent known here as Trigon. But some sources believe he committed suicide in 1977 after being discovered by the Soviet security service, the KGB.

The intelligence community in Washington and congressional circles have been aware for some time that the last information received from the agent was what purported to be a copy of a cable from Mr. Dobrynin describing an April 11, 1977, breakfast meeting between the ambassador and Mr. Kissinger.

Political Debates

President Carter turns down an invitation to debate issued by the League of Women Voters. Ronald Reagan and John Anderson accept. Page 3.

Nuclear Fuel

The Carter administration, hoping to avert a last-minute foreign policy defeat, has agreed to new restrictions on the controversial shipment of nuclear fuel to India. Page 2.

pt, Israel Advance Autonomy Talks; S. Will Join in Meetings This Month

ANDRIA, Egypt, Sept. 10 (AP) — Egyptian President Sadat said today that Israeli-American negotiations for autonomy will be at the ministerial level at the end of the month in New York.

Mr. Sadat, emerging from a meeting with Israeli Foreign Minister Yitzhak Shamir, said that a steering committee would convene either in Egypt or Israel, and that the meeting would include the United States, the third party to the talks begun in May 1979.

Mr. Begin made the comments after a Jewish New Year greeting to about 300 civilian Defense Ministry employees in Tel Aviv.

Mr. Shamir, who arrived in Egypt yesterday for a 24-hour visit, said the talks would get started on the steering committee level for the working out of an agenda. He said that a steering committee would convene either in Egypt or Israel, and that the meeting would include the United States, the third party to the talks begun in May 1979.

Mr. Begin made the comments after a Jewish New Year greeting to about 300 civilian Defense Ministry employees in Tel Aviv.

Mr. Shamir, who arrived in Egypt yesterday for a 24-hour visit, said the talks would get started on the steering committee level for the working out of an agenda. He said that a steering committee would convene either in Egypt or Israel, and that the meeting would include the United States, the third party to the talks begun in May 1979.

Mr. Begin made the comments after a Jewish New Year greeting to about 300 civilian Defense Ministry employees in Tel Aviv.

Mr. Shamir, who arrived in Egypt yesterday for a 24-hour visit, said the talks would get started on the steering committee level for the working out of an agenda. He said that a steering committee would convene either in Egypt or Israel, and that the meeting would include the United States, the third party to the talks begun in May 1979.

Mr. Begin made the comments after a Jewish New Year greeting to about 300 civilian Defense Ministry employees in Tel Aviv.

Mr. Shamir, who arrived in Egypt yesterday for a 24-hour visit, said the talks would get started on the steering committee level for the working out of an agenda. He said that a steering committee would convene either in Egypt or Israel, and that the meeting would include the United States, the third party to the talks begun in May 1979.

Mr. Begin made the comments after a Jewish New Year greeting to about 300 civilian Defense Ministry employees in Tel Aviv.

Mr. Shamir, who arrived in Egypt yesterday for a 24-hour visit, said the talks would get started on the steering committee level for the working out of an agenda. He said that a steering committee would convene either in Egypt or Israel, and that the meeting would include the United States, the third party to the talks begun in May 1979.

Mr. Begin made the comments after a Jewish New Year greeting to about 300 civilian Defense Ministry employees in Tel Aviv.

Mr. Shamir, who arrived in Egypt yesterday for a 24-hour visit, said the talks would get started on the steering committee level for the working out of an agenda. He said that a steering committee would convene either in Egypt or Israel, and that the meeting would include the United States, the third party to the talks begun in May 1979.

earlier told an Israeli newspaper he was not satisfied with "the slow pace of normalization" of bilateral relations.

Egyptian officials, headed by foreign undersecretary Samir Anwar, told the Israelis that the Egyptians are very sensitive to the measures taken by Israel in occupied lands and to progress in the autonomy negotiations, sources said.

Invitation to Ghali

The Egyptians said that the normalization agreements would be presented to Egypt's parliament for ratification, but that it is up to the Egyptian people to start normalizing trade relations, sources said.

Mr. Shamir said he had invited Mr. Ghali to visit Israel in the near future.

"We had a very good and interesting discussion with Dr. Butros Ghali," he said.

Mr. Ghali, echoing Mr. Shamir's comments, said, "Our talks were positive and constructive."

The trip was Mr. Shamir's first official visit to Egypt, and was the first high-level Israeli visit since May, when Ehud Barak, then defense minister, came to sign a series of bilateral agreements.

Since that time Mr. Sadat has suspended the autonomy negotiations three times. The most recent break came after the Israeli parliament passed a law making a united Jerusalem, including the Arab sector, the "eternal capital" of the Jewish state.

Thais Seek Waiver

For Premier-General

BANGKOK, Sept. 10 (UPI) — Thailand's Cabinet voted unanimously yesterday to ask parliament to amend a law and allow Premier Prem Tinsulanonda to continue as army commander in chief beyond the mandatory retirement age of 60.

Gen. Prem's status as premier is not affected by the law. If it is not amended, he would be forced to give up his army post on Sept. 30. The proposed amendment would permit senior military officers and career civil servants reaching the mandatory retirement age to remain on their jobs on a year by year review basis until age 65.

Additional Response

A spokesman said Mr. Rajae's public answer as something less than a flat refusal to open discussions, and he said there still may be an additional written response from Iran that might be less negative.

"We are prepared to discuss anything that the Iranians want," the spokesman said. "We are prepared to talk about an apology, but we are not prepared to offer one. What we do have to be tied to the safe release of the hostages."

Iran Ridicules Appeal by Muskie

But Rajae Avoids Direct Reply to Call for Contacts

WASHINGTON, Sept. 10 (AP) — Iran's leaders have publicly scorned a U.S. proposal to help resolve the hostage crisis, but the immediate response has not made clear whether they will reject the idea, proposed by Secretary of State Edmund Muskie in a letter several days ago.

Mr. Muskie called for a U.S. Iranian "channel of communication" in a letter that he sent to Iran's new premier, Mohammed Ali Rajae. Addressing a crowd Monday in Qom, Mr. Rajae read the previously secret letter, and in his comments alternated abuse and ridicule with cryptic refusals to reply directly to the U.S. proposal.

The State Department said today that it is prepared to discuss anything the Iranians want but that the United States is not prepared to offer an apology.

A spokesman said Mr. Rajae's public answer as something less than a flat refusal to open discussions, and he said there still may be an additional written response from Iran that might be less negative.

"We are prepared to discuss anything that the Iranians want," the spokesman said. "We are prepared to talk about an apology, but we are not prepared to offer one. What we do have to be tied to the safe release of the hostages."

He then added: "In order to begin the process of understanding each other better, I think it would be useful to establish a regular channel of communication. I would personally prefer that this be done directly, very discreetly if you wish, between representatives of our two governments. Speaking frankly and directly is the best way of removing hostility and suspicion."

"If you would prefer," Mr. Muskie went on, "we would be pleased to deal through third parties who could transmit messages between us on a regular basis."

Mr. Rajae's comments in Qom gave no real clue as to whether the U.S. effort may be on the verge of success. The prime minister repeated past accusations that the United States is torturing Iranian students in this country, aiding neighboring Iraq in aggression against Iran and "spending money for sabotage inside Iran."

But, when it came to responding to Mr. Muskie's call for a communications link, Mr. Rajae evaded the issue by using religious and mystical rhetoric. At one point, he said: "Diplomatic discussions are terms used during the satanic era. This does not mean that we will not talk, but according to our beliefs, if we were sure that you had repeated, we would talk."

He then went on to state "six" (Continued on Page 2, Col. 1)

Mystical Rhetoric

But, when it came to responding to Mr. Muskie's call for a communications link, Mr. Rajae evaded the issue by using religious and mystical rhetoric. At one point, he said: "Diplomatic discussions are terms used during the satanic era. This does not mean that we will not talk, but according to our beliefs, if we were sure that you had repeated, we would talk."

He then went on to state "six" (Continued on Page 2, Col. 1)

Iraqi Landlord Sues Khomeini For Back Rent

BEIRUT, Sept. 10 (AP) — A landlord has sued Iranian ruler Ayatollah Ruhollah Khomeini in a local court in Iraq's Najaf Province, claiming unpaid rent and utility bills during the religious leader's 15-year exile, the Baghdad Observer reported.

In an edition that reached Beirut today, the English-language newspaper, published by the Iraqi government, said the suit had been filed by Mohammed Ghazi Sharba.

The paper said the landlord was claiming rent, unpaid water, electricity and telephone bills and compensation for house depreciation during Khomeini's residence. Khomeini lived in Najaf from 1963 to 1978, when he departed for Paris.

Iran Scorns U.S. Letter

(Continued from Page 1)

stages of repentance" apparently enunciated by Iran's top leader, Ayatollah Ruhollah Khomeini. These ranged from "confession" and "a decision not to repeat your sins" to eating in a way "that your body will be cleansed of all that is forbidden by religion." Mr. Rajaei concluded, "These are the stages of repentance that we Muslims will observe, and under these circumstances, we will be prepared to hold discussions with you."

Administration officials were encouraged by the Majlis' reply last week to a plea by 185 members of Congress for release of the hostages. The response called for a U.S. congressional investigation into past U.S. actions in Iran — an apparent reference to the 1979 Iranian demands that the United States admit its "guilt" and return the shah's wealth to Iran.

Ministers Approved

TEHRAN, Sept. 10 (Reuters) — The Majlis today overwhelmingly approved 14 ministers nominated to the 21-man cabinet of Premier Rajaei.

Mr. Rajaei was able to present only 14 candidates for parliamentary approval because of a dispute with President Abolhasan Bani-Sadr about the remaining seven posts.

In today's vote, 169 deputies voted for the agreed nominees, 14 voted against and 10 abstained. There was no word on when the seven remaining portfolios, which include the Foreign Ministry and key economic ministries, would be filled.

DEATH NOTICE

NORTON-GRIFFITHS
On September 10th
at Pao d'Arco, suddenly,
Kathryn beloved wife of
Sir Peter Norton-Griffiths
and mother of
Anne, John, and Michael.

SONESTA NEW ORLEANS STYLE

Experience the elegance and excitement of the famed French Quarter during your stay at the deluxe Royal Sonesta on Bourbon Street. Our luxurious guest rooms and exceptional gourmet cuisine is the finest in New Orleans. Stay in New Orleans... Sonesta Style.

For reservations call your travel agent, Sonesta Travel Reservations Inc.
New York (212) 261-2626
London (01) 235 2626
Paris (01) 235 2626
Zurich (01) 235 2626

ROYAL SONESTA
300 Bourbon Street
New Orleans, Louisiana

The American Express Card

3712 3616 9500
welcome at Sonesta Hotels.
(except Bermuda)

White House Lobbying Fails

U.S. Panels Oppose India Fuel Shipment

By Don Oberdorfer

WASHINGTON, Aug. 15 (WP) — The Carter administration, in a last-minute effort to avert congressional defeat of a major foreign policy issue, agreed to new restrictions on the shipment of nuclear fuel to India, but the Senate Foreign Relations Committee today voted 8-7 to approve a resolution blocking the sale.

The House Foreign Affairs Committee passed a similar resolution by voice vote. The administration had all but given up hope of staving off defeat in that forum.

Secretary of State Edmund Muskie personally delivered a letter to the Senate Foreign Relations Committee today outlining the concessions. Mr. Muskie also met with the senators in private just before the committee voted on the issue.

Intense Lobbying

Both houses of Congress still must vote resolutions of disapproval in order to block President Carter's proposed shipment of 38 tons of enriched uranium to India. Administration officials had been cautiously optimistic that the Muskie letter, plus intense lobbying by high officials, would convince the Senate to back the White House position and thus allow the fuel to go.

The stakes in the battle, going far beyond the question of Mr. Carter's congressional clout in the midst of his re-election campaign, involve the future of the U.S. effort to halt the spread of nuclear weapons and the future of U.S. relations with India and Pakistan.

The fuel shipment is the first to be contested seriously under the 1978 Nuclear Non-Proliferation Act. India, which exploded a nuclear device in 1974, has refused to comply with the act's requirement that all of its atomic facilities be placed under international safeguards in order to obtain a continuing flow of nuclear material from the United States.

The administration argues that failure to provide the fuel, the raw material for the Tampi reactor, is likely to cause India to consider its past nuclear agreements with the United States to be void, disregard establishing safeguards on U.S. uranium provided in the past and turn to the Soviet Union for its future fuel.

All this, the administration

able monetary policy" must be established.

Confidence should be restored "by following a consistent national economic policy that does not change from month to month."

Mr. Reagan said that, if elected, he would establish a national economic policy and "begin to implement it, within the first 90 days."

The former California governor used few figures in his address.

In a major exception to that

stance, however, he reiterated his support for the proposal that would cut income taxes across the board by 10 percent in each of the next three years.

"Assault on Waste"

And, using a Senate Budget Committee estimate that federal spending would rise to more than \$900 billion in the fiscal year 1985 from \$633 billion in the fiscal year 1981 beginning Oct. 1, Mr. Reagan pledged "through a comprehensive assault on waste and inefficiency to trim 2 percent out of the budget in the fiscal year 1981 and to gradually increase the annual cuts to 7 percent from what otherwise would have been spent in 1985."

"Actually, I believe we can do even better," he said. "My goal will be to bring about spending reductions of 10 percent by fiscal year 1984."

In recent weeks Mr. Reagan's staff members have been referring to the long-awaited economic address as the "mirrors speech," a reference to a remark by Rep. John Anderson of Illinois in an Iowa debate in January. Mr. Anderson, then a Republican challenger to Mr. Reagan, who did not participate in that debate, and now an independent candidate for president, said that the only way anyone could cut taxes, increase defense spending and balance the budget simultaneously was to do it with mirrors.

Mr. Reagan's economic advisers have acknowledged that to devise such a program was their most difficult task of the campaign, which they say accounted for the long delay in preparing yesterday's speech.

However, they conceded that they had set relatively modest goals that could be achieved by the stimulation of tax cuts and a reduction in waste that would permit cuts in spending.

They contended that the Reagan tax-cut proposals would not decrease federal tax receipts, but would only slow the annual growth in such receipts.

Vice Ring in Abu Dhabi

ABU DHABI, Sept. 10 (Reuters)

A religious court has sentenced 10 men and six women, all Pakistani illegal immigrants, to prison terms ranging from 3 to 12 months and 50 to 100 lashes each for running a prostitution ring, it was reported today.

argues, will bring a crisis in Washington-New Delhi relations and set back the cause of non-proliferation.

Congressional opponents argue that allowing the fuel to go would destroy the credibility of the 1978 law and of the U.S. drive to force acceptance of international safeguards on all atomic facilities.

Mr. Muskie's letter, in response to a set of proposals from Sen. Frank Church, D-Idaho, the committee chairman, agreed that:

• A first shipment of 19 tons of fuel would go immediately, but the remaining fuel would not be shipped for about a year.

• If India explodes a nuclear device, prepares to explode one or disregards existing safeguards in the meantime, the additional fuel would be stopped.

• This would be the last exception to full application of the 1978 non-proliferation act.

Sen. John Glenn, D-Ohio, a leading opponent of the fuel shipment, served notice yesterday that the concessions were unacceptable to him. The sending of any fuel at this time without conditions would signal to the world that "a substantive change has occurred in the U.S. commitment to its non-proliferation policy," Sen. Glenn said in a statement.

Mr. Muskie, who had an unannounced breakfast meeting yesterday with 11 senators on the nuclear question, said in a letter to members of the Senate that he had come to favor the shipment after personal study of the issues, even though he was initially skeptical. He said the question is "admittedly a close call."

Although the number of dissenters was small out of the more than 3,200 voting, Chinese attending the session said they could not remember when such a gathering had ever ended in the past without complete unanimity.

Many delegates to the congress also demanded new powers to

erase their reputation as rubber stamps for the Communist Party and sharply questioned government ministers over mistakes and excesses in the bureaucracy.

"Youth Movement"

Today, the delegates also endorsed the central theme of the congress — what in China passes for a youth movement — by appointing three new deputy premiers to replace elderly veterans who have given up their government posts. The new appointees included Foreign Minister Huang Hua, 67, Deputy Army Chief of Staff Zhang Aiping, 70, and Nationalities Affairs Commission Minister Yang Jinguo, 62.

Their average age of 66.3 was a sharp drop from the 74.8 average age of the senior party veterans who resigned.

The New China News Agency, reporting on a morning session of the congress, said the new deputy premiers were named on the recommendation of Mr. Zhao. The congress also voted to make Mr. Zhao, 61, the third man to serve as head of the government. Mr. Hua remains head of the Communist Party central committee.

Perhaps the oldest of the active state leaders, congress Chairman Ye Jianying, 82, has declined to step down, however. In an ironic moment, Mr. Ye finished a speech closing the congress by asking that "we all rise and give a standing ovation as sincere tribute to the veteran leaders who had resigned. Then Mr. Ye, who has to be helped into the meeting hall by a young attendant, attempted to struggle to his feet. His attendant, caught by surprise, dashed across the stage

and managed to steady him as he swayed before the microphone.

Five elderly deputy chairmen of the congress also resigned — Nie Rongzhen, Liu Bocheng, Zhang Dingcheng, Cai Chang, and Zhou Jiarren. Mr. Liu, 88, although a member of the party Politburo, has not been seen in public in years. In a resignation letter he applauded the promotion of officials "in their prime of life."

Job for Buddhist Leader

Appointed as new congress deputy chairmen were Politburo member and former Shanghai party chief Peng Chong, Guangdong party chief Xi Zhongxun, Military Commission member Su Yu, Canton party chief Yang Shangkun and the Panchen Lama, the Tibetan Buddhist leader once cultivated by Peking as an alternative to the self-exiled Dalai Lama.

Chairing today's session was congress deputy chairman and former Peking Mayor Peng Zhen, 78, who complained repeatedly as he tried to count votes in the brightly lit Great Hall of the People auditorium that "I really cannot see too clearly." At least once he announced there were no dissenting votes when foreign journalists, admitted to the congress for the first time in 20 years, could clearly see two hands raised on the floor. After being brought notes from aides, he twice corrected his tally to add contrary votes.

The high point of dissent, a grand total of four abstentions, occurred in the vote on a new marriage law, which would raise the minimum age to 22 for men and 20 for women, a two-year increase, and somewhat ease requirements for divorce. The names of the abstainers were not made available, but four Peking delegates, including party veteran Zhang Pinghua, had earlier told the People's Daily they saw no reason for the increase.

"It will have no effect on population control, because late marriage does not necessarily mean fewer children," they said.

Church Yields

In Dispute Over

Bishop in Crete

KASTELLI, Crete, Sept. 10 (Reuters) — The holy synod, the supreme administrative body of the Greek Orthodox Church, has bowed to the demands of supporters of a bishop who was enthroned in Crete against his will.

The synod decided to transfer the bishop to the diocese of Kalamata and Sefiri to allow the election of Bishop Erineos, who gained local popularity through his welfare projects while serving in Crete through 1971.

Supporters of Bishop Erineos, who was vacationing on the island, deposed him last weekend despite the church's selection of another man, Bishop Nestoras, for the post. Bishop Erineos' supporters barricaded the cathedral and refused to allow him to leave, defying an order from the ecumenical patriarch of Istanbul for him to return to his post in West Germany.

Last night, the holy synod informed the Istanbul patriarchate that it would appoint Bishop Nestoras to another post. Once that is done, the synod is to elect Bishop Erineos as metropolitan of Kalamata and Sefiri.

Thousands of supporters of Bishop Erineos gathered outside the cathedral last night to celebrate the decision.

Resignation Accepted

Noting also that Mr. de Marolles had held his post for just a year, "it seems that a disagreement exploded within SDECE over the policy to pursue in North Africa and black Africa," the article said. It added that in the final stages of the controversies, the official offered his resignation which was "immediately accepted" by Mr. de Marolles.

Mr. de Marolles has been the third official in the past four years to quit the post and the fifth since Mr. de Marolles took over as head of the agency a decade ago, Le Monde said.

The newspaper in the past several years has reported on alleged malaise within SDECE focusing on reports that the agency was increasingly directing its operations inside France. Theoretically, SDECE like the CIA is supposed to deal only with foreign affairs. Domestic intelligence, including counterespionage inside France, is the province of the Directorate of Territorial Surveillance (DST) the domestic intelligence agency.

The paper also previously reported that dissatisfaction with SDECE leadership had caused two of its agents to commit suicide because of pressures of work.

He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.

Le Monde conceded that the reasons for his resignation remain shrouded in secrecy and citing an unidentified source, the article indicated that they were linked to failures by the agency and Mr. de Marolles in particular to urge the mounting of various moves against Libya.

However, a French government source who refused to be identified, said the article contained "total inaccuracies," but he declined to say what they were.

Failures Hinted

"He has left because he is ill ... there are personal elements as well as professional reasons of which I am ignorant," the source said.

The policy differences, according to the article, centered on French policies in North and black Africa, and they triggered the resignation of Mr. de Marolles, a 53-year-old SDECE colonel.



China's three new deputy premiers: (left to right) Yang Jinguo, Zhang Aiping and Huang Hua.

Unprecedented Dissent Registered

By Jay Mathews

China Congress Seals New Era of 'Youth'

PEKING, Sept. 10 (WP) — China today ended its most open and free-wheeling parliamentary session in many years with a series of final votes in which some delegates went to the extraordinary lengths of registering public dissents.

As expected, the National People's Congress elected Zhao Ziyang as premier to replace Hua Guofeng, who resigned earlier this week. Deng Xiaoping and six other deputy premiers formally resigned from the State Council, or Cabinet.

D NEWS

Charges Children

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

AP -

Carter Turns Down Invitation to Debate Reagan, Anderson

Hedrick Smith
WASHINGTON, Sept. 10 (AP) — The League of Women Voters invited Rep. John Anderson to take part in its first debate. The invitation was accepted by Rep. Anderson but President Carter declined.

The president's decision reflected the calculation of his strategists that the inclusion of Rep. Anderson in an initial three-way debate would boost the candidacy of the Illinois congressman and increase the threat that he would draw votes away from Mr. Carter and possibly tip the election in favor of Mr. Reagan.

The League of Women Voters based its invitation, Mrs. Hinerfeld said, on the finding that Rep. Anderson had "clearly demonstrated significant voter interest and support" by drawing roughly 15-percent backing in several recent public opinion polls.

That action, followed by the president's refusal, not only cast doubt on whether there will be full-fledged presidential debates this year but also posed the first clear-cut test of will between Mr. Carter and Mr. Reagan, each of whom has now set different terms for the first debate.

The Republican challenger, who was himself widely criticized for skipping the first Republican primary season debate in Iowa last January, told reporters during a campaign stop in Chicago that he would participate in the league's debate even with the president declining.

Earlier yesterday, a Reagan spokesman said the former California governor was prepared to accept another invitation from the National Press Club to debate Mr. Carter one-to-one if the president would accept the league's invitation for the three-way debate, since the first debate has been considered the most important because in the past it has drawn the largest national television audience.

But Mr. Strauss issued a statement not only declining the league's invitation but noting that the president had already accepted three other invitations to debate with Mr. Reagan alone from the National Press Club, CBS News and the Ladies' Home Journal.

"In an election as important as this one," he contended, "it is important that the American people have an opportunity to see and hear a face-to-face confrontation between the two individuals who were the winners of the nominating process of the major parties, one of whom will most certainly be president."

in Scanner May Yield Insights on Illness, Drugs

By Jonathan B. Tucker
NEW YORK, Sept. 10 (NYT) — Insights into the effects of drugs and into disorders such as schizophrenia and depression may be provided by a technique known as PET.

The technique, known as PET, or positron emission tomography, has been under development since the early 1960s, but is now being used in medical diagnosis.

In this technique, 2-deoxyglucose, a modified form of glucose that is absorbed by active nerve cells but cannot be broken down for energy, is labeled with a radioactive isotope, such as carbon 11 or fluorine 18, which can be detected by the PET scanner.

The technique was first used on animals by Raymond Sokolov of the National Institute of Mental Health.

PET scanners use short-lived isotopes that decay by emitting positrons — electrons that carry a positive charge. After traveling a short distance through the brain, a positron collides with an electron, which has a negative charge, forming a pair of high-energy light particles. These two particles are emitted through the skull in opposite directions, defining a straight line, and are detected simultaneously by the scanner.

A computer analyzes millions of such recordings and converts the data into a pattern of light and dark spots that can be displayed on a television screen in a matter of minutes. The light spots indicate a higher degree of brain activity.

Several improved PET scanners are being built, and the cost of the scanners, now a half a million dollars or more, is expected to drop with increased commercial production.

Scanning differs in important ways from the more familiar x-ray and computed tomography, or CT, scanning, whose inventors shared a Nobel Prize last year for their work on the moving pencil-like beam of x-rays passed through the head to produce differences in density. The product is a series of "slices" or cross-sections of the body, showing tumors or blood clots.

U.S. Air Force Ordered To Reinstate Homosexual

By Benjamin Weiser
WASHINGTON, Sept. 10 (AP) — A federal judge here yesterday ordered the Air Force to reinstate and give full back pay to Leonard Matlovich, a former sergeant who was dismissed from the service five years ago after he openly declared his homosexuality.

U.S. District Court Judge Gerhard Gesell said Mr. Matlovich's dismissal was unlawful because the Air Force had failed to clearly explain its policies on when it retains known homosexuals in the service and when it boots them out.

The judge said that Mr. Matlovich, 37, a Vietnam War veteran and Bronze Star winner who has been working in a San Francisco warehouse since his dismissal, should be "promptly reinstated" at the rank and salary he would have obtained had he not been "unlawfully discharged."

Landmark Case
Mr. Matlovich began what became a landmark civil rights case when he challenged Air Force regulations that prohibit the retention of homosexual service personnel unless "the most unusual circumstances exist." Despite the fact that Mr. Matlovich won several medals and received laudatory performance reports for his work, the Air Force said he was "not a good enough" to retain a gay serviceman.

Judge Gesell sharply criticized the Air Force at yesterday's court hearing for what he called its "perverse behavior," in the case. He said the Air Force "not only misrepresented the standards applied to homosexuals in the past, but the Air Force is totally unable to clarify its position generally, or to Matlovich."

The government, which has 60 days to appeal the ruling, refused to comment on the decision or say whether it would appeal.

In July, 1976, Judge Gesell originally upheld the Air Force's ouster of Mr. Matlovich, but urged the service to reexamine the anti-homosexual policies that led to his dismissal.

Mr. Matlovich appealed his case to the U.S. Court of Appeals, which ruled in 1978 that the Air Force had not defined the various exceptions under which a gay serviceman could remain in the service nor explained why Mr. Matlovich did not qualify. The appellate court ordered the Air Force to come up with an explanation and sent the case back to Judge Gesell.

Belgium Delays Decision About NATO Missiles

BRUSSELS, Sept. 10 (Reuters) — Belgium is still not ready to decide whether to accept 48 new NATO nuclear missiles on its territory, Premier Wilfried Martens said.

The Cabinet decided Monday night to follow a two-stage process in reaching the long-delayed decision. Along with the Netherlands, Belgium is holding up implementation of the North Atlantic Treaty Organization's plan to modernize its nuclear arsenal.

Mr. Martens told journalists after the meeting that Foreign Minister Charles-Ferdinand Nothomb was asked to draft a government position that will be discussed next week. A decision would be made at a date yet to be set, he said.

The 48 missiles are part of a force of 572 to be based in Western Europe. Belgium asked for six months to make up its mind but missed that deadline. The Netherlands, while accepting the modernization plan in principle, has said it will delay a decision to deploy the missiles on Dutch soil until the end of 1981.

Mr. Martens said in an interview in July that the government wanted to decide by the end of this year. Socialists in the six-party ruling coalition oppose the siting of the missiles in Belgium, and political sources say the premier does not want to risk the collapse of his government by pressing the issue.

He said that the only thing that had been revealed "is the existence of the program itself" and not any of its important details. After the Aviation Week magazine article, as well as other reports, the president said, some details were given out "in order to tell the American people the truth." He said "a major development of this kind is something that's completely legitimate and which the American people have a right to know."

U.S. Negotiating Use Of Australian Bases
CANBERRA, Sept. 10 (Reuters) — Australia is considering a U.S. request for use of its air bases as staging posts for patrols by long-range B-52 bombers over the Indian Ocean, Defense Minister Jim Killen told Parliament yesterday.

He said there would be further negotiations with the Pentagon before a decision was made. A U.S. Air Force team visited Australia earlier this year and inspected four possible airfields in the country.

U.S. Air Force Ordered To Reinstate Homosexual

WASHINGTON, Sept. 10 (AP) — A federal judge here yesterday ordered the Air Force to reinstate and give full back pay to Leonard Matlovich, a former sergeant who was dismissed from the service five years ago after he openly declared his homosexuality.

U.S. District Court Judge Gerhard Gesell said Mr. Matlovich's dismissal was unlawful because the Air Force had failed to clearly explain its policies on when it retains known homosexuals in the service and when it boots them out.

The judge said that Mr. Matlovich, 37, a Vietnam War veteran and Bronze Star winner who has been working in a San Francisco warehouse since his dismissal, should be "promptly reinstated" at the rank and salary he would have obtained had he not been "unlawfully discharged."

Landmark Case
Mr. Matlovich began what became a landmark civil rights case when he challenged Air Force regulations that prohibit the retention of homosexual service personnel unless "the most unusual circumstances exist." Despite the fact that Mr. Matlovich won several medals and received laudatory performance reports for his work, the Air Force said he was "not a good enough" to retain a gay serviceman.

Judge Gesell sharply criticized the Air Force at yesterday's court hearing for what he called its "perverse behavior," in the case. He said the Air Force "not only misrepresented the standards applied to homosexuals in the past, but the Air Force is totally unable to clarify its position generally, or to Matlovich."

The government, which has 60 days to appeal the ruling, refused to comment on the decision or say whether it would appeal.

In July, 1976, Judge Gesell originally upheld the Air Force's ouster of Mr. Matlovich, but urged the service to reexamine the anti-homosexual policies that led to his dismissal.

Mr. Matlovich appealed his case to the U.S. Court of Appeals, which ruled in 1978 that the Air Force had not defined the various exceptions under which a gay serviceman could remain in the service nor explained why Mr. Matlovich did not qualify. The appellate court ordered the Air Force to come up with an explanation and sent the case back to Judge Gesell.

U.S. Air Force Ordered To Reinstate Homosexual

WASHINGTON, Sept. 10 (AP) — A federal judge here yesterday ordered the Air Force to reinstate and give full back pay to Leonard Matlovich, a former sergeant who was dismissed from the service five years ago after he openly declared his homosexuality.

U.S. District Court Judge Gerhard Gesell said Mr. Matlovich's dismissal was unlawful because the Air Force had failed to clearly explain its policies on when it retains known homosexuals in the service and when it boots them out.

The judge said that Mr. Matlovich, 37, a Vietnam War veteran and Bronze Star winner who has been working in a San Francisco warehouse since his dismissal, should be "promptly reinstated" at the rank and salary he would have obtained had he not been "unlawfully discharged."

Landmark Case
Mr. Matlovich began what became a landmark civil rights case when he challenged Air Force regulations that prohibit the retention of homosexual service personnel unless "the most unusual circumstances exist." Despite the fact that Mr. Matlovich won several medals and received laudatory performance reports for his work, the Air Force said he was "not a good enough" to retain a gay serviceman.

Judge Gesell sharply criticized the Air Force at yesterday's court hearing for what he called its "perverse behavior," in the case. He said the Air Force "not only misrepresented the standards applied to homosexuals in the past, but the Air Force is totally unable to clarify its position generally, or to Matlovich."

The government, which has 60 days to appeal the ruling, refused to comment on the decision or say whether it would appeal.

In July, 1976, Judge Gesell originally upheld the Air Force's ouster of Mr. Matlovich, but urged the service to reexamine the anti-homosexual policies that led to his dismissal.

Mr. Matlovich appealed his case to the U.S. Court of Appeals, which ruled in 1978 that the Air Force had not defined the various exceptions under which a gay serviceman could remain in the service nor explained why Mr. Matlovich did not qualify. The appellate court ordered the Air Force to come up with an explanation and sent the case back to Judge Gesell.

U.S. Air Force Ordered To Reinstate Homosexual

WASHINGTON, Sept. 10 (AP) — A federal judge here yesterday ordered the Air Force to reinstate and give full back pay to Leonard Matlovich, a former sergeant who was dismissed from the service five years ago after he openly declared his homosexuality.

U.S. District Court Judge Gerhard Gesell said Mr. Matlovich's dismissal was unlawful because the Air Force had failed to clearly explain its policies on when it retains known homosexuals in the service and when it boots them out.

The judge said that Mr. Matlovich, 37, a Vietnam War veteran and Bronze Star winner who has been working in a San Francisco warehouse since his dismissal, should be "promptly reinstated" at the rank and salary he would have obtained had he not been "unlawfully discharged."

Landmark Case
Mr. Matlovich began what became a landmark civil rights case when he challenged Air Force regulations that prohibit the retention of homosexual service personnel unless "the most unusual circumstances exist." Despite the fact that Mr. Matlovich won several medals and received laudatory performance reports for his work, the Air Force said he was "not a good enough" to retain a gay serviceman.

Judge Gesell sharply criticized the Air Force at yesterday's court hearing for what he called its "perverse behavior," in the case. He said the Air Force "not only misrepresented the standards applied to homosexuals in the past, but the Air Force is totally unable to clarify its position generally, or to Matlovich."

The government, which has 60 days to appeal the ruling, refused to comment on the decision or say whether it would appeal.

In July, 1976, Judge Gesell originally upheld the Air Force's ouster of Mr. Matlovich, but urged the service to reexamine the anti-homosexual policies that led to his dismissal.

Mr. Matlovich appealed his case to the U.S. Court of Appeals, which ruled in 1978 that the Air Force had not defined the various exceptions under which a gay serviceman could remain in the service nor explained why Mr. Matlovich did not qualify. The appellate court ordered the Air Force to come up with an explanation and sent the case back to Judge Gesell.



League of Women Voters Education Fund Chairman Ruth Hinerfeld, left, announced in Washington on Tuesday that Rep. John Anderson had been invited to participate in league-sponsored presidential campaign debates. On her left is league executive board member Dot Ridings.

Reagan Accused of 'Cheap Politics' Carter Retorts Harshly in 'Stealth' Row

By Steven R. Weisman
PERTH AMBOY, N.J., Sept. 10 (NYT) — President Carter, accusing Ronald Reagan of "cheap politics" and "irresponsible" behavior, denied yesterday that his administration had harmed the nation's security by disclosing the existence of the so-called "stealth" invisible bomber project three weeks ago.

"This is an absolutely irresponsible and false charge by Governor Reagan and by a carefully orchestrated group of Republicans," Mr. Carter said at a community center during a campaign visit here, making his first public comments on the "stealth" disclosures.

"It's obvious that the Republicans have taken what is a major benefit to our country and try to play cheap politics with it by alleging that we have violated our nation's security," the president added. He then said that Defense Secretary Harold Brown would cooperate with a congressional investigation into the circumstances surrounding the bomber project.

The president's remarks occurred during a visit to this heavily Democratic industrial region of New Jersey, where he had hoped to dramatize his economic programs by attending the opening of a steel plant which was built with the help of a federal loan guarantee.

Surprising Harshness
Mr. Carter used the dedication of the Raritan River Steel Co. plant to renew his charge that Mr. Reagan's tax cut measures would deal "a devastating blow to the American economy." Meanwhile,

AP -

AP -

AP -

AP -

AP -

AP -

AP -

On With the Debates

There is a point at which blind faith in tactics begins to undermine strategy. President Carter, by refusing to participate in a three-way debate with John Anderson and Ronald Reagan, has passed it. His effort to isolate Mr. Anderson by ignoring him has failed. Not that the Illinois representative has much chance of being elected, but he has made it onto the ballots of most states, he has been endorsed by New York's significant Liberal Party, he has won the right to federal matching funds if he gets 5 percent of the vote in November and he has remained high enough in the polls to persuade the League of Women Voters that he should be included in the first debate.

The president should recognize that Rep. Anderson has earned the right to participate in the set pieces of the campaign. There is no doubt that Mr. Anderson's candidacy hurts Mr. Carter, but at this point, despite what the polls say, the president will only do further damage to his campaign and his reputation around the world by labeling his third-party opponent a "creation of the press" and refusing to debate him.

President Carter argues that Rep. Anderson has "never won a primary, even in his own home state. He has never won a caucus contest in any state in the nation. He ran as a Republican and he still is a Republican. He

hasn't had a convention. He doesn't have a party. He and his wife hand-picked his vice presidential nominee." All that is true, but now irrelevant. A segment of the public ranging between 13 and 25 percent has demonstrated over the last few months that it wants an opportunity to consider Mr. Anderson as an alternative to the president and Mr. Reagan.

The other Carter objection to debating Mr. Anderson is entitled to more serious consideration. The president contends that if he agrees to the three-way debate, Mr. Reagan will continue to avoid debating him one-on-one. He deserves an unambiguous answer to that charge. So far Gov. Reagan and his advisers are putting out mixed signals, with the candidate just this week saying that he would not debate Mr. Carter alone. Either Mr. Carter or Mr. Reagan almost certainly will be the next president and the voters deserve a chance to see them head-to-head.

In the meanwhile, though, President Carter serves no useful purpose, either for himself or for the country, by displaying the smallness of spirit that throughout his presidency has become one of his most easily identifiable characteristics. He should join the first debate.

INTERNATIONAL HERALD TRIBUNE.

Don't Reload Tarapur

Two years ago, with the aim of slowing the spread of nuclear weapons, Congress barred shipments of nuclear fuel to countries that refuse to open their civilian nuclear facilities to outside inspection. India, which used Canadian reactor fuel to build its first atomic bomb in 1974, has made clear that it will not comply with that requirement. But President Carter wants to continue selling uranium to India, arguing that good relations on the subcontinent take precedence over efforts to contain nuclear weapons. Now Congress has until Sept. 27 to stop the shipment — and save what remains of the administration's nonproliferation policy.

The United States has been shipping enriched uranium to India since 1963 to load, and reload, two U.S.-built power reactors at Tarapur. The agreement with India includes strict inspection of the Tarapur project, and India has thus far honored that agreement. But the Indians did divert fuel from other reactors to build their bomb, and have resisted pressures to halt the weapons program.

The 1978 Nuclear Nonproliferation Act gave U.S. nuclear customers two years to negotiate safeguards against the military use of nuclear fuel from any civilian project, American or not — or face a fuel cutoff. Yet no agreement has been reached with India, which refuses to slow weapons development in return for secure fuel supplies. So the Nuclear Regulatory Commission voted unanimously in May to stop a reload shipment of 38 tons of uranium.

The law lets the president overrule the commission, provided both houses of Congress go along. Hence Carter's dilemma: alienate the government of India or help undermine his own policies against nuclear proliferation. In June, he chose the latter course,

authorizing the Tarapur shipments and leaving the final decision to Congress.

Although the State Department has made some effort to cast the administration's case in legalistic terms, the real issues are practical and diplomatic. Administration officials assert, correctly, that blocking this particular shipment will not prevent India from building more bombs; it already has 250 tons of spent reactor fuel to draw upon. Moreover, at a time when Soviet arms have moved southward in Asia, the United States wants to avoid pushing India still closer to Moscow.

This second argument is weaker than it may appear. A fuel cutoff is sure to anger New Delhi. But for India to turn to the Soviet Union for fuel on less guarded terms is easier said than done. The Russians, in fact, have always imposed tough safeguards on nuclear fuel exports. Besides, U.S. economic and military ties with India go far beyond the nuclear issue and are unlikely to be ruined by a nuclear embargo. If Carter wants to please Mrs. Gandhi more surely than by providing uranium, he might consider lowering U.S. barriers to Indian textiles, which irritate New Delhi more than any nuclear issue.

The basic question, in any case, is whether the United States will stick by its nonproliferation policy when it is diplomatically inconvenient. That policy is already under attack from European exporters of nuclear reactors, who see the U.S. position as a way of stifling competition for sales in Third World countries. To sell uranium now to defiant India would risk the collapse of practical efforts to limit nuclear weapons, there and elsewhere. President Carter seems ready to take that risk. We hope Congress is not.

THE NEW YORK TIMES.

They've Got a Secret

The Carter administration, it seems, has been working up a new system to deal with classified information in order to see that the right stuff gets to the right people, and only to them. The juiciest part of the scheme is that a new classification, above top secret, is being created: royal. It is solemnly avowed by those familiar with the system, in the executive branch and on Capitol Hill, that information will not be withheld from people who ought to have access to it. But the number of people cleared for royal will be very small.

The fact that under a new category some information will be restricted to a short list does raise the possibility of abuse. It is now widely accepted, for instance, that the list of those allowed to check plans for the Iranian rescue mission was disastrously short. But it is not on its face wrong to draw up a short list — as long as there are believable assurances that insiders who need to know will know and that the procedures will be kept open to review. The government does have a responsibility to regulate the flow of classified information and plug leaks. From what is known, it seems premature to suggest, as

some have, that the new system is meant not so much to protect intelligence sources as to provide President Carter with a hiding place for politically damaging information — about, say, his brother's Libyan ties.

But we would not be taking up your time today simply to tell you that. What really moves us is the new designation: royal. Hold that one up to the light. Recall that the old system was based on a set of words — secret, top secret — referring directly to the information being held. Even some of the old odd super-secret classifications, such as "cosmic" or "Q," refer to the information. You are "cleared for top secret." But, royal: it can only refer to the people cleared. Not since Richard Nixon put the White House police in double-breasted white tunics and vinyl opera caps has there been a similar reaching out for simulated majesty.

All right — it could have been worse: Holy, Blessed, Galactic, Superhuman, Hotsy-Totsy. But royal is bad enough. Is that really how the Carter White House views the Carter presidency? The royal "we" lives.

THE WASHINGTON POST.

In the International Edition

Seventy-Five Years Ago
September 11, 1905

TIFLIS, Russia — The troops at Baku are tired out by the work of the past week. It was hoped that partial order would have been re-established today, but today's news is nothing but a recital of anarchy, arson, pillage and artillery and rifle fire. The governor's orders cannot be executed owing to the insufficient number of troops at his disposal. Instructions have been issued to shoot down without mercy all rioters and pillagers, whether Tatars or not. The Tatars are showing fanatical contempt for death and are in such numbers that they outmatch the troops. In spite of the latter's superiority of arms, acts of unmitigated barbarity have been committed.

Fifty Years Ago
September 11, 1936

ALBANY, N.Y. — Repeal of the 18th Amendment and the institution of a system of state liquor rights are recommended by Gov. Franklin D. Roosevelt of New York in a letter he wrote to U.S. Sen. Robert Wagner. "The deplorable condition born of the amendment can only be remedied by substitution of another amendment, restoring the real control of intoxicants in the states," Mr. Roosevelt wrote. The governor believes that sale of intoxicants through state agencies should be lawful in any state that wished to undertake such a system. Conversely, he declared, "the people of any state ought to have the right to prohibit liquor sales."



Banks as Political Instruments

By Jonathan Power

LONDON — When the Carter administration last year told U.S. banks to suspend their loans to Iran, a major threshold was crossed. Foreign policy and bank loans were publicly mixed. It sent a shudder through the banking community. Would it now be only a matter of time before individual banks were told whether or not they could lend to Eastern Europe, South Africa or Brazil? Banks are used to the quiet word of advice from their governments or supervisory authorities, but to be told explicitly and publicly what to do is a totally different matter.

Two separate events in the last few weeks have highlighted the issue of bank loans and political leverage once again. First came the Polish workers' revolts and with them loud demands, not least from the leader of West Germany's Christian Democrats, Franz-Josef Strauss, for Western banks to stop giving the Polish government "artificial respiration." Second, came the announcement that South Africa was arranging its first public Euroloan in two years. Recently it has preferred to borrow by stealth, removed from the political limelight.

Keep It Simple
Banks like to keep their rules simple. After all, they say, when an individual customer comes into his local bank for a loan to buy a new car he is not asked whether he beats his wife or not. He is merely asked if he can repay the loan in a reasonable space of time. Why should it be any different for a country?

The truth is, however, the collective lending policies of banks have long been influenced by governments. Banks have been encouraged or dissuaded at various times from lending to farmers, to home buyers or to cooperatives. The banks themselves have often been quite political. Barclays, Britain's largest international bank, was drawn into political controversy a few years ago when its South African affiliate bought South African defense bonds. After a public row in Britain, the London head office formally criticized the transaction. The bonds were sold.

At the other extreme, a number of U.S. banks, including Wells Fargo and First Pennsylvania, now refuse to lend to South Africa. Partly, they are responding to church, university and other activist shareholders. Partly, they are anticipating political upheavals to come and have decided to reduce their exposure to risk.

Positive Action
The question really boils down to not whether the banks are an instrument of change in the political arena but how and when they should use their influence.

The Polish situation seems to cry out for positive action. Surely,

with the economy in such a mess, Western banks should be told to use their leverage to make sure the economic and political reforms promised to the workers are implemented. A degree of discreet pressure behind the scenes would undoubtedly have a beneficial effect. On the other hand, for Western governments to go public on this issue would be counterproductive. Dealing with a near totalitarian government gives little room for public maneuver of this kind. If the banks overplay their hand, they will be told to go.

It is a wiser course to try and keep the economic links between Poland and the West intact. One can hope that, in enabling Poland to have more contact with the outside world and more diversity in its centers of economic decision-making, the loans will make some contribution toward liberalizing the economic and political climate.

Brazil at first sight looks as if it is completely in hock to the banks. It is the world's largest debtor. It is said to be desperate for more loans to continue the economic growth that will keep its increasingly militant workforce in line. If the United States was prepared to consider a cutoff in arms credits to protest against Brazil's human rights policies, why doesn't it consider a squeeze on bank loans, or at least demand that the banks lend to more socially useful projects?

Too Big
Part of the answer is that Brazil is too big to be pushed around. Brazil's \$55 billion, having loaned four times as much as Poland, need Brazil as much as vice versa. They can't push Brazil to the point where it might be tempted to renege on its debts. Moreover, there are lots of heavy borrowers similar to Brazil — Argentina, the Philippines, Taiwan, Chile and Mexico. To be consistent, the banks should press the squeeze on them all.

That could ruin the banking system and seriously damage Western export interests. Nevertheless, advising their clients to spend more money on housing and health clinics and less on nuclear power stations and highways, would serve the long-term interests of both sides. The banks should be able to justify this to themselves by reasoning that this is more likely over the long run to produce a safer haven for their loans.

Complicated
With South Africa, the argument is rather different. It is a special case. Unlike Brazil or the Philippines, South African government policies have ramifications way beyond the country. It can be argued that South Africa is a threat to international peace, even a future East-West flashpoint. Therefore, Western governments should take

an active interest in what their banks are up to.

It is worth noting that the church and university boycotts of the last few years have been reasonably successful. Apart from two or three Swiss and West German banks which have made private deals with South Africa, Western banks have nearly all refused to do business with the apartheid regime. It has taken not just the added economic attractiveness of South Africa in the wake of the gold price increase, but the liberalizing policies of the government to bring them back in.

Banks are political instruments. They always have been. To use that influence wisely and effectively, however, is a complicated and fraught process and the degree of public intervention must depend on each situation. There can be no simple rule of thumb.

©1980, International Herald Tribune.

Killing Freedom to Save It

By Tom Wicker

NEW YORK — On June 24, a Justice Department spokesman appeared before the Senate Intelligence Committee to oppose a bill making it a crime for anyone to publish information — whether or not classified — leading to the identification of a covert agent of the Central Intelligence Agency.

On Aug. 19, the same spokesman told a House subcommittee that the measure was all right after all. Last week, the House Judiciary Committee approved it by 21 to 8, with the full House expected to follow suit. The Senate, where a subcommittee is holding hearings, apparently offers the only chance to stop this dangerous and unnecessary legislation that stabs the First Amendment to its heart.

Why did the Carter administration change its mind? The Justice Department says its objections were removed when the bill's language was changed to require that disclosures be made to a "pattern of activities intended to expose agents."

On the Bandwagon
More likely, the administration jumped on the bandwagon after July 4, when the home of a man alleged to be the CIA station chief in Jamaica was attacked with automatic weapons fire, after disclosure of his name and address in the so-called Covert Action Information Bulletin. In an election year, the disclosure legislation immediately became a popular cause in Congress.

Finally, it's an election year for Jimmy Carter, too, and his opponents are charging that he's soft on national security and has let down the nation's guard. One way to riposte is to take the kind of hard-nosed, know-nothing stand exemplified by the bill's principal Republican backer, Rep. Henry J. Hyde of Illinois, who told the Judi-

GORKY, U.S.S.R. — The historic significance of the Helsinki accords, the subject of the Conference on Security and Cooperation in Europe now opening in Madrid, lies in its affirmation of a crucial principle: International security and confidence are linked to respect for human rights.

The most complete statement of this idea is contained in Principle VII, Section 1 (a) of the final act, which commits the participating states to fulfill all the provisions of the International Covenants on Human Rights and of the Universal Declaration of Human Rights. These provisions include guarantees for freedom of opinion and information, freedom to choose one's country of residence (and not just within the context of family reunification), freedom to choose one's domicile within each country, freedom of religion and freedom of association.

New Stage

The Helsinki accords also acknowledged the right of the participating state to monitor each other's record of compliance. Such monitoring is regarded not as intervention in internal affairs but rather as a contribution to international security and confidence. The final act marked a new stage in the formulation of an international ideology of human rights. Unfortunately, its principles have not been put into practice in a satisfactory fashion. I suppose that human rights violations have occurred in many countries, including Western countries, but I shall speak about what I know best — the situation in the Soviet Union and in Eastern Europe.

The observance of fundamental civil and political rights in these countries has not just failed to improve over the past five years; the situation has in fact grown worse. Repressions against groups organized to promote observance of the Final Act, including the Helsinki watch groups in the Soviet Union and Charter 77 in Czechoslovakia, constitute the most brazen and challenging example of violations that demand from the participating states an unequivocal, uncompromising response — effective actions not limited to verbal protests.

More than 40 members of the Helsinki watch groups are imprisoned. Many others also have been arrested: individuals who, although not formally members of the Watch groups, worked to promote the exchange of information and the defense of human rights as contributors to "samizdat" news magazines or journals of opinion, as participants in the movement for freedom of religion and freedom of emigration or in other ways. The governments, nongovernmental organizations and concerned citizens of the participating states are under an obligation to defend all such victims of repression.

Peace in the world. The consequences of from this principle on truth. Therefore, I believe that the Helsinki accords, which are unrelated to security, cannot agree with suggest a boycott of the Madrid conference (the Tuesday) as a response to the repression of the states should use the offered by the Madrid to further a political Afghanistan, which is for the withdrawal of and international peace, neutrality and nations. The participants should also promote the prisoners of conscience in Western countries, sons are imprisoned have not used or advance.

The critical international requires that the West peering states coordinate and pursue their more determination any than at Belgrade. T-accords, like détente, have meaning only if served fully and by all country should evade of its own domestic whether they be the p Northern Ireland, the C tars or Sakharov's male speaking objectively). a country ignore vic other participating a whole point of the H cords is mutual moni mutual evasion of diff lems.

Personal Mail

Now I wish to mention matter: My illegal Gorky last January attention of worldwide opinion and governance I appeal to all who exp care at that time: Help fiancée, Elizaveta I receive permission to le viet Union. I appeal in to both government a persons who may meet leaders. Liz's fate, a separation to two people one another, has become of pressure on me. This personal matter, with n tion whatsoever, in to state. I do not know wh authorities have in mind f ture, but the affair has a come tragic. I am hoping an in this very concrete, that is so important to me.

Physicist Andrei Sakha was awarded the Nobel Pe in 1975, is in internal Gorky, in the Soviet Union. ticle was translated by the sink Watch Committee fo Angeles Times.

©1980, The New York Times.

The Weapon

It would give the CIA, for ple, just the weapon it wa hide, or prosecute disclos embarrassing or dam- deeds, failures and ille — spyware American United States, or helping a dent to cover up criminal ties, or infiltrating the clerg porting such stories, even if in the public interest, would tually impossible with riskin closure of some agent's ide or at least risking that the would mean that such disc had resulted.

How can Stansfield Turner CIA director, argue that this tant power grab is "vital to maintenance of an effective intelligence apparatus and the success of United States foreign policy?" That is to say that on free U.S. institutions are ur mined from within can we be cessful in the world. But wh success, if not the protection maintenance of those same fr institutions?

©1980, The New York Times.

Letters

Soviet Goals

Re "The Finnish Model for Eastern Europe," by William Pfaff (IHT, Aug. 27):
The stated goal of Soviet Communism since 1917 is world domination. The next phase is the Finlandization of Western Europe, not Eastern Europe.

KARL KRAUSE.

Munich.

Our President, Too

Flora Lewis' article "He's Their President, Too" (IHT, July 12-13) makes the point that Europeans

like to think of the U.S. presidency as part of their lives. More to the point, overseas Americans like to think that issues affecting their lives are also represented by the president of the United States.

Specific issues such as inequitable taxation, guaranteed citizenship rights and extension of social benefits to overseas citizens should be part of any presidential appeal to overseas voters so we, at least as much as other Europeans, can say of the elected president: "He's our president, too."

SANFORD G. HENRY.

London.

INTERNATIONAL **Herald Tribune**

Published daily except on Sundays and public holidays.
John Hay Whitney
Chairman
Katharine Graham
Arthur Ochs Sulzberger
Co-Chairmen

International Herald Tribune, S.A.
no capital of 1,200,000 F.R.C. Paris No. 71 2112
1797181, avenue Charles de Gaulle, 92211 Neuilly-sur-Seine Cedex
Tel 340-1245, Telex 417118, Herald Paris Cable: Herald, Paris
Le Directeur de la publication: Walter M. D'Isa
In U.S.A. — Subscription price \$225 yearly, \$1100
Second class postage paid at Long Island City, N.Y.
© 1980 International Herald Tribune. All rights reserved.
Commissariat Publication No. 24 231

Lee W. Huebner
Mort Rosenblum
William R. Holden
Robert K. McCabe
Walter N. Wells
Stephen Klaidman

Publisher
Editor

Deputy Editors

Chief Editorial Writer

Roland Plason
Rene Bondy
François Desmosses
Richard H. Morgan

Associate Publisher
Director of Finance
Director of Circulation
Director of Advertising

الطريق إلى

Obituaries

Willard F. Libby, 71, Lived Carbon-14 Dating

ANGELES, Sept. 10 (LAT) — Willard F. Libby, 71, a professor at the University of California, Los Angeles, who won the Nobel Prize in chemistry for his discovery of the radioactive decay of carbon-14, died of a lung blood clot at his home in Los Angeles.

Libby's wide scientific interest in the use of atomic energy in the environment was perhaps best known for his discovery of the carbon-14 clock, which has enabled archaeologists to date materials as old as 50,000 years. Now, as refinements, they can date old as 100,000 years.

Active carbon is produced in the atmosphere when an energetic ray strikes into a nitrogen atom and transforms it into carbon-14. The carbon is then taken up by plants and eventually assimilated by animals — from trees to humans.

This radioactive form of carbon has a half-life of 5,730 years — which means that 100 carbon-14 atoms will have decayed to 25 atoms by the end of 17,190 years — Dr. Libby suggested in the late 1940s that measurements of the small amounts of this tracer that still remained in a piece of wood or bone could tell when the object last lived.

Or, in the case of artifacts like ancient pottery, one could tell when it was fashioned.

Dr. Libby was born Dec. 17, 1908, in Grand Valley, Colo., and was raised on his family's fruit ranch near Sebastopol, Calif., north of San Francisco.

He received his bachelor's degree and doctorate in chemistry at the University of California, Berkeley. He remained at Berkeley until 1943, when he joined the Manhattan Project, the World War II atomic bomb program.

At the end of the war, he joined the faculty of the University of Chicago (where he also did most of his research into carbon-14) and served there until 1959. From 1954 through 1959, however, Dr. Libby was on a leave of absence from the university so that he might serve as a commissioner on the now-defunct Atomic Energy Commission.

During his tenure on the AEC, Dr. Libby promoted the "Atoms for Peace" program and was also an outspoken advocate of fallout shelters for American homes. He built such a shelter behind his home in Southern California and it was the only part of his property that survived a disastrous hillside fire in the early 1960s.



Willard F. Libby

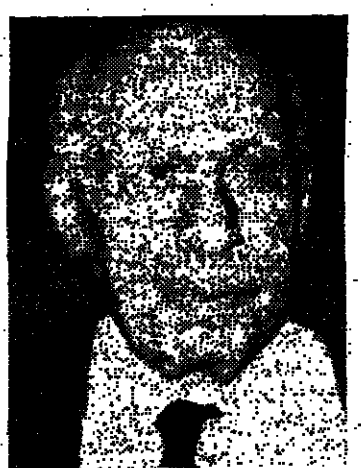
Harold Clurman, 78, Put 'Method' Into U.S. Acting

NEW YORK, Sept. 10 (NYT) — Harold Clurman, 78, a theatrical critic, author and teacher, died of cancer in Mount Sinai Hospital yesterday.

Clurman left an enduring mark on American stage through his work with the Group Theater, which he founded in 1931, and through his work in later years with the Group Theatre Company.

Clurman's enduring mark on American stage through his work with the Group Theater, which he founded in 1931, and through his work in later years with the Group Theatre Company.

Clurman's enduring mark on American stage through his work with the Group Theater, which he founded in 1931, and through his work in later years with the Group Theatre Company.



Harold Clurman

theater, and literature in general — from Homer on. He also shouldered the very best critics of literature and drama from Aristotle to Hazlitt and Shaw. He should know a good deal about music, dance, architecture, painting, world history and the history of his country. He should know people. To judge acting, you must be able to judge people. He should have a philosophy, an attitude toward life.

In his teaching career, Mr. Clurman was a professor at Hunter College, a branch of the City University of New York, for about a decade, conducting a course in playwriting. During the summers, he held seminars on theater at the University of California, both in Los Angeles and Berkeley.

—JOHN CORRY

John Howard Griffin

FORT WORTH, Texas, Sept. 10 (UPI) — John Howard Griffin, 60, author of "Black Like Me," a best seller about his experiences posing as a black in the South in 1959, died yesterday of complications from diabetes.

Although his first novel, "The Devil Rides Outside," was a critical success and a best seller in 1952, it was for his "Black Like Me," published in 1961, that Mr. Griffin was remembered.

With the help of a New Orleans dermatologist, he dyed the pigment of his skin black in 1959 and for six weeks traveled through Mississippi, Alabama, Louisiana and Georgia.

"I wanted to test whether we really judge men as human or whether we draw up an indictment against a whole group," Mr. Griffin once said. "I kept my name and changed nothing but my pigment." He found that he was judged by the color of his skin.

The Texas-born author studied psychiatry as a young man at Lycee Descartes at Tours, France, and later worked as an assistant in the Insane Asylum of Tours. In late 1939, he helped transport Austrian and German political refugees out of the country before the fall of France.

W. Maxey Jarman

NASHVILLE, Tenn., Sept. 10 (AP) — W. Maxey Jarman, 76, former chairman of Genesco Inc., who turned his father's Jarman Shoe Co. into one of the world's largest apparel conglomerates, died yesterday.

Music Lifestyle

An Electronic Dropout in the 'French California'

By Michael Zwerin

ST-SATURNIN-D'APT, France (IHT) — As summer people go back to city life in September, the Vaucluse sighs with relief. The Vaucluse is a fertile valley sloping gently east toward the Alps from Avignon. There will be space in the villages again, though those who remain are not all farmers.

The steady migration from Paris that began after the upheavals of May, 1968 — and the construction of the Autoroute de Sud — has deposited a visible class of artists, creative people, handymen and general dropouts. Some call the Vaucluse the "French California."

Photographer Henri Cartier-Bresson, painter Victor Vasarely and pop singer Pierre Vassiliou already have one foot out of Paris three years ago when he lived in an apartment facing Parc Montsouris, about two minutes inside the southern gates of Paris. To escape the city hum, he rented an isolated ruin on a windy French Californian mountain. The original idea was to visit Paris every few months, but he has not been back there for two years now.

He renovated the ruin but it still has no electricity. This poses certain practical and philosophical problems. Vian is an electronic musician.

As his lifestyle implies, he has an ambiguous relationship with technology: "Technology is running out of control. Everything is becoming too complex, expensive. The new



digital hardware comes from the city, and in a sense it is part of what I left behind. Plastic and steel belong in the city, with the traffic jams, noise, crowds, living five flights up in 50 square meters. I can't make any of that any more."

The ambiguity must be resolved. He is thinking. There is time to think in the French California. He can afford it. His father, the writer Boris Vian, left him an independent income.

Boris also left him overdosed with jazz. "Boris was really against white jazz musicians," Vian recalls. "And when I started buying Elvis Presley records, he told me, 'White musicians can't swing.'"

Fiercely Dedicated

Boris Vian was the *troupeur* of the postwar existential crowd that hung out in St. Germain. He was a fiercely dedicated jazz fan who wrote a *chronique* in the magazine *Jazz Hot*. He played trumpet until his heart attack, in caves like the Tabou and the Club St. Germain. At first he had trouble publishing his novels because of their unorthodox prose style, which personified his peers' collective disgust with convention.

So Vian was in a sense only following in his father's footsteps when he started a rock band called Red Noise in the late '60s. "It was anti-music. We wanted to make people mad. I was playing guitar then, and I usually had my back to the audience. We turned up the volume as loud as possible and one of our basic principles was never rehearsing. It was totally improvised. We had no tunes and no tonality. We just plugged in and — voila — instant aggression. Sometimes it was just awful; others, I can't say why, it worked. Then I

would get frustrated because we could never do the same thing again. I'm not really good at telling musicians what to do, so I decided to build a relationship with machines. The synthesizer is perfect for that."

He recorded a solo synthesizer album, "Bruits et Temps Analogique," but it did not do well and there has been no product since. The cozy lethargy that hangs over the French California might be blamed for that. You can slip by with mediocrity down here. Competition is lightweight, and it's not easy to drum up motivation.

Vian tinkers with automobile engines and photography, and sometimes serves as sound mixer for local rock groups, while denying that the French California has made an underachiever of him: "You look at the scenery and that's 'doing' something. Things that seemed important in the city are less so here. Success, for example. Because when you have arranged your life so that you can stay here year-round that's already success in a way."

"City people who visit for two or three days cannot stay half an hour without getting in their cars to go for a beer, a pack of cigarettes or three carrots. Sitting still makes them nervous. Sometimes my wife and I get provisions for a week and don't move from the house until they run out."

"I suppose it's a contradiction that I'm an electronic musician living without electricity, but . . ."

He shrugs and turns his head towards the green and red slopes below. He stares for awhile and continues, slowly: "I'm immobile at the moment. That's not necessarily bad. Immobility can get things moving in the long run. Everybody has to learn to live with their own contradictions."

Deauville Film Festival

Paul Newman Fashions Superlative 'Shadow Box'

By Thomas Quinn Curtiss

DEAUVILLE, France, Sept. 10 (IHT) — "The Shadow Box," which had its world premiere at the Deauville Film Festival last night, is in large measure a product of the Paul Newman clan.

Newman directed, wife Joanne Woodward undertook a central role, and their daughter, Susan, making her managerial debut, coproduced the venture with Jill Marti. The Newmans and the entire company merit high praise.

The script is an utterly uncompromising adaptation of the Pulitzer Prize-winning play by Michael Cristofer. In a California clinic three terminal patients are interviewed by research doctors before the cameras for a documentary. There is an aged woman of wandering recall, a man stricken in mid-life who summons his wife and son for a farewell, and an unsuccessful author, gone gay and nursed by a male companion, who receives a surprise visit from his ex-spouse, a gaudy gold-digger.

Newman engineered the absorbing tragicomedy flawlessly and drew from his cast three superlative performances: Sylvia Sidney as the old woman, Christopher Plummer as the writer and Woodward as the kooky push-over. Valerie Harper, James Broderick, Melinda Dillon and John Considine provide striking support.

Gus Trikonis' "Touched By Love" records the experience of a nurse in a home for abandoned children who by her tact and sympathy wins the confidence of a crippled girl who has but a short time to live. The discovery of the child's rubbing obscenity — love for Elvis Presley — and brightens the patient's final months.

Deborah Raffin as the nurse and Diane Lane as her ward are beautifully in accord with their assignments, and Trikonis' gentle, tactful treatment of the narrative lends it clarity and pathos, avoiding any tendency to the maudlin.

Richard Rush's "The Stuntman," shown today, has a curious history. It was made two years ago and shelved as hopeless by its producers. Somehow it received a showing, harvested rave reviews and became a box-office hit. It is so mesmerizing, eccentric and oddly off-top-of-step that one understands the producers' doubts.

A fugitive from justice stumbles on a movie set where a quixotic director is making what appears to be a very bad movie about World War I and its futility. The man on the run is engaged to perform a series of feats — hopping over rooftops, crashing planes, driving a limousine off a bridge. Peter O'Toole is the nonconformist filmmaker and Steve Railsback is the fugitive.

Clint Eastwood arrived to give the youngsters of Deauville a big thrill, and brought along his new film, "Bronco Billy," which has the asset of good-natured humor. It concerns a bogus cowboy from New Jersey who conducts a Wild West show that tours the provinces, his tacky troupe hounded by bill collectors and threats of desertion by its performers until a stranded heiress comes to its aid.

In "Urban Cowboy" by James Bridges, John Travolta returns as an engaging Texas hick who seeks to perpetuate open-space heroics in a modern boom town. By day he labors as a construction hand and by night he rides an electrical bronco in a dance hall. There is a refreshing innocence to his performance and the basic idea is fetching, but, having scored its points, its scenario is uncertain when to let go.

"Brubaker" begins intriguingly with Robert Redford serving a sentence in a state penitentiary for crimes unknown. There is a genuine realism to the depiction of prison life. One then discovers that the protagonist is not a convict at all. He is an investigator who, after learning firsthand of the outrages and corruption rife in the prison, takes over as a reform warden. The second half (here reportedly was a switch of directors midway) lacks the persuasion of the first.

Tony Bill's "My Bodyguard" has to do with the students of a Chicago high school where bullies, emulating Al Capone, impose a protection racket on their juniors. A brave boy breaks the extortion practice. There is a winning charm to this comedy, with Chris Makepeace and Matt Dillon as the schoolboys and Ruth Gordon impersonating a rowdy grandmother.

There is sharper bite to "Airplane," written and directed by Jim Abrahams and David and Jerry Zucker, who did "Kentucky Fried Movie." With exhilarating abandon they send up all the solemn clichés of prefabricated airplane dramas — the ex-pilot haunted by war memories and trying to win back the affections of the stewardess, the child on a journey to emergency surgery, the guitar-strumming nun, the kindly old lady with her soothing platitudes. This provided the festival with its loudest laughs, and is a tonic reminder that movies should make fun of themselves more often.

'Tin Drum' Ban Moves Into Court

TORONTO, Sept. 10 (AP) — The distributors of the German-made movie "The Tin Drum" have filed court action against the Ontario censor board which has refused to let the controversial film be shown uncensored in the province.

Michael Skewes, general manager of New World-Mutual Pictures of Canada, said the board refused to reconsider its decision on the Academy Award-winning film.

"The Tin Drum," based on a novel by Gunter Grass about a young boy in Nazi Germany who is repelled by the violence and sexuality of the adult world, includes scenes of sexual acts involving the 12-year-old star. The board has refused to let the film be shown without four cuts.

Opera

Met Postpones Opening

NEW YORK, Sept. 10 (NYT) — The Metropolitan Opera announced yesterday that it had postponed indefinitely the scheduled Sept. 22 opening of its 1980-81 season as a result of the continued impasse between the company and its orchestra musicians, who have asked for a four-performance work week. The Met says it cannot afford to meet that request.

The opening opera was to have been Puccini's "Turandot," with Montserrat Caballe and Luciano Pavarotti. Wagner's "Götterdämmerung" was to follow on Sept. 23.

The orchestra, which traditionally sets the pattern for the other Met unions, has also asked for a raise in wages, an increase in the pension and a lowering of eligibility age, and a raise in the per diem during tours. The company's last wage offer was for raises of 8 and 7 percent for a two-year contract, plus a willingness to negotiate on the other issues. But the discussions have foundered on the work week issue.

The Met argues that not only can it not afford the added costs in extra musicians that a four-performance week would entail, but that such a concession would have to be matched for the other unions, thus bringing the final costs to several million dollars.

LES 2 MEILLEURES SOIRÉES DE PARIS

NOUVELLE SUPER-REVUE "Allez Lido"

WATU!

LIDO

20 h 30 Dîner Dansant
1/2 Champ. dîner sugg. revue
255 F

22 h 30/0 h 30 LA REVUE
170 F

NORMANDIE 116° CHAMPS-ÉLYSÉES
563.11.61 et agences

MOULIN ROUGE

20 h Dîner Champ Revue
255 F

22 h Champ Revue
0 h 2° SPECTACLE
170 F

PLACE BLANCHE
606.00.19 / 78.02 et agences

65th NORTH-WEST-GERMAN-STATE-LOTTERY
Government Controlled

"Here's my special offer: How to become a millionaire!"

It's easy to participate:

- Please send us the order coupon — or if missing — a letter.
- Attach payment for the tickets you want, using either cash by registered airmail-postage, international postal order, personal cheque or travellers cheque. You can also pay for your ticket after receipt of the invoice.
- We send you the tickets, further information and the official draw schedule. After each draw you receive the official winning list together with your ticket for the next draw, as your previous ticket is eliminated from the lottery after each draw.
- You will be notified each time you win within days. Your prize-money will be transferred by cheque to any place you want. The prize-money is paid to you tax-free and without any deductions. You remain absolutely anonymous.
- We guarantee fast, reliable and confidential service world-wide.

This is why it is interesting for you to join the lottery:

- 1 x 2 million DM as maximum prize-money
- 2 x 1 million DM
- 17 x 1 million DM or 170 x 100,000 DM
- 35 x 100,000 DM
- and in addition 113,250 more prizes up to 50,000 DM

Walter Ruge
Heidenkampsweg 32 · D-2000 Hamburg 1 · West-Germany

Order Coupon

The 65th NORTH-WEST-GERMAN-STATE-LOTTERY begins October 3rd, 1980 and runs to March 6th, 1981

Secure your chance to win now!
Mail your coupon today!

Mail to:
Walter Ruge
Heidenkampsweg 32
D-2000 Hamburg 1
West-Germany

Please write in German or English
O Mr. O Mrs. O Miss

Clear letter-printing please

First Name _____
Surname _____
Street _____
P.O.B. _____
City _____
Country _____

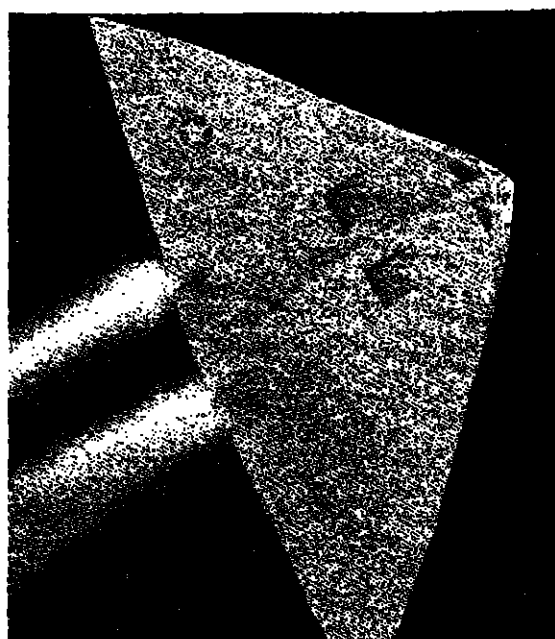
Win 100% with a 1/1 ticket, or 50% with a 1/2 ticket or 25% with a 1/4 ticket. Don't forget: either way, every 3rd ticket number wins guaranteed! Try your luck.

Please fill in the number of tickets you want to order with this coupon

Number of tickets	DM	\$	£
1/1 ticket	738,- or	410,- or	174,-
1/2 ticket	378,- or	210,- or	89,-
1/4 ticket	198,- or	110,- or	46,-

All prizes are for all draws including air mail postage and winning list after each class. No additional charges!
Valid only where legal!

'Invisible' Airplane Technology Strains to Beat Radar by a Wavelength



Artist's conception of the plane

By Malcolm W. Browne
NEW YORK (NYT) — Last week, Secretary of Defense Harold Brown was being roasted by Ronald Reagan and members of the House Armed Services Committee for his revelation, on Aug. 22, of U.S. progress toward a military airplane "virtually invisible" to radar.
Has Brown really presented the Soviet Union with a skeleton key to the national security? Probably not, according to experts who say privately that "Stealth" appears to involve no new scientific discoveries unknown to regular readers of the aerospace press. Rather, they say, it is the refinement and combination of existing technologies that exploit the nature of radar itself.
Radar employs shortwave radio signals intermediate in frequency between infrared light and ordinary broadcast radio. Radar wavelengths are close to those of light, and like light, they can be reflected from solid objects. As early as 1900 the Serbian inventor Nikola Tesla suggested that these wavelengths could be used for locating ships at sea.
British fighters defeated the night-flying Luftwaffe in 1940 partly because controllers could "see" the enemy with radar. But from the start, adversaries sought and found ways to make themselves less conspicuous to radar, and the "electronic countermeasures" war continues to this day.
How does one go about making something invisible to radar? First, say the experts, make it as small as possible.

The smaller the plane (or tank or ship), the smaller will be its so-called "cross section" and the weaker the radar echoes it reflects. This consideration favors the smallest possible size for any bomber eventually selected as a replacement for the defunct B-1 project.
But shape is nearly as important as size. Radar reflects particularly well from sharp angles and intersecting edges, such as the corner of a box, or the attachment points of an aircraft wing. Curved surfaces may reflect weaker echoes than flat ones, and if the curves are complex, gentle and wavy, the echoes are likely to be weaker still.
The makers of miniature target drone planes used in military training have learned to give them a radar reflection similar to that of full-size planes by making them angular and boxy. The reverse approach requires a very "clean" design, such as a delta flying wing proposed by Boeing, in which the intersecting planes, flat surfaces and long, continuous curves are largely eliminated, as are such reflective protruberances as engine pods, the rims of jet intakes, weapons pylons and perpendicular control surfaces.
Structural materials matter as well. Skins and structural members made of carbon-based materials, for example, reflect less radar energy than does metal. More and more large components of U.S. combat aircraft are built of such materials as graphite fibers embedded in a carbon matrix, epoxy resins and high-strength ceramics. And even metals can be coated with materials (such as certain plastic polymers) that greatly reduce radar reflectivity. By the end of World War II, Germany had developed effective coatings to immunize its U-boats against radar detection.

Anti-radar coatings are of two kinds. One works like a roast in a microwave oven; it absorbs so much energy from a radar beam that the reflection is too weak to be useful. The other uses a phenomenon of physics called destructive interference, in which part of the radar beam is reflected from the coating and part from the underlying material. If the coating has the right thickness and other characteristics, the two sets of reflected waves will be out of phase, canceling each other and blocking out the reflections completely. Such coatings are widely used on U.S. Army equipment, experts say, and similar coatings are presumably familiar to the Air Force as well.
Radar can also be baffled electronically. The frequency, intensity, direction and other characteristics of an arriving signal from an enemy transmitter can be swiftly analyzed by a computer aboard an airplane, and this information can then be used to generate a misleading radar echo much stronger than the genuine one. Such techniques saw rapid development during World War II.
Jet engine exhausts can be made relatively quiet, as the largest commercial airliners have demonstrated, and "stealthy" aircraft have incorporated similar sound-suppressing devices. The telltale plume of infrared radiation emitted by an engine exhaust is also reduced in "stealthy" planes by systems of baffles and by changes in the geometry of the engine mounts themselves.
Although some of the methods involved were already far advanced a quarter century ago, the difficulty of exploiting them all simultaneously for maximum effect is

likely to be formidable. Many different ways are used for radar detection, and they react with different ways. An echo-destroying coat for one band of wavelengths may not be another.
Two Requirements
The design of surface contours for a "steal" poses a dilemma for the computer programmers, who must find optimum solutions. The plane must perform well in its job, and it must have the smallest possible radar cross section. Finding the proper happy medium of computing power and the skill to solve the problems of complex equations. Building way structures strong enough to fly is likely to be engineering problems than conventional fewer compound curves.
Experts agree that no structure can ever be able to radar, some part will always have wavelengths. The object is to reduce these much that they are very difficult to distinguish from other sources that normally receive.
If, as Secretary Brown has claimed, stealth "alters the military balance," it remains to long the United States can maintain its edge, unlikely that Moscow, whose military technology more sophisticated by the month, could ignore of radar's characteristics as to be a Brown's announcement.

Bound for America: Moscow's Class of 1979

Emigrating Jews Had Secret Lessons From a Visiting 'Professor'

From August, 1978, through June, 1979, Andrea Lee, an American, lived in the Soviet Union with her husband. During that time, she surreptitiously taught English to a group of Russian Jews who were emigrating to the United States. In this article, excerpted from *The New York Times*, she offers a glimpse into the lives of these highly educated and surprisingly affluent emigrants as they appeared on the threshold of departure.

By Andrea Lee

JAN. 4, 1979: Yesterday Marina came to me with an idea. "Some friends" of hers are leaving the country and are willing to pay the enormous price of 300 rubles apiece for a month of English lessons. What if she and I were to teach them together? Marina looked at me quizzically, poised to retract everything she had just said. It is an expression that usually follows her most audacious suggestions about black-market dealings — buying icons, selling jeans, exchanging dollars.

"I laughed. 'Who are these friends?' I said. 'They must be Jewish if they're leaving for America. Won't it be dangerous for us to teach them?'"
Marina was persuasive. She has been my best friend in Moscow for five months now, and though I laugh at her, I trust her absolutely. She is a Soviet Georgian living in Moscow, a poet who has no official job but who picks up money wherever she can get it, usually following her most audacious suggestions about black-market dealings — buying icons, selling jeans, exchanging dollars.

"Yes, they are... mostly... emigrating Jews," she admitted in answer to my question. "But that's not a problem for you. If there is any danger, it will be for them and for me. For that much money, I'm willing to chance it." Her eyes lit up at the thought of so much money, at the meat and peace of mind it would buy for her family. She looked at me intensely, and I looked away. I could feel myself drawn into the vortex of one of Marina's schemes. "I'll consider it," I said.
Jan. 6: I mentioned my teaching plans to my student friend Mishka, who said that I was crazy to be thinking of it. "It's suicidal to get involved with emigrating Jews in the Soviet Union. Few people are more certain to be watched and harassed. And a group — you could be charged with political conspiracy and thrown out of the country. Your students could be denied their exit visas." He shook his head. "I don't understand you," he said. "There are so many illegal things Americans can get away with in this country. Sell your jeans. Smuggle icons. Sell dollars. Just leave the Jews alone."

First Meeting

Jan. 8: First meeting of the class today, in an apartment belonging to Yura, a well-to-do chemist. The place is located in the chic Moscow neighborhood off Kutuzovskiy Prospekt, where Brezhnev is said to live. By Soviet standards it is luxurious, with clean tan walls, a shiny kitchen and two living-sleeping rooms filled with books. There are seven students, who all seem to be friends. They are mostly male, mostly from Odessa, and mostly scientists and engineers who specialize in bizarre areas like concrete control. An exception is Yuliya, an 11-year-old girl whose mother is planning to leave the country in a month.

Jan. 10: My evolving method of teaching: a new dialogue every day (we have no textbook)



First stop: Vienna.

dealing with some aspect of life — romance, job hunting, marketing — then composition and finally discussion. The students seem delighted with the class, particularly with the fact that we laugh a great deal. Marina tells me that this does not happen in Russian classrooms. Most language classes depend on rote drill of boring texts.
Jan. 13: Unnerving things have happened since the class began, making me sorry Marina lured me into this venture. Today, I came to class about 20 minutes late, having run through the snow all the way from the Kievskiy metro station. I climbed the stairs and saw a strange man leaning against the wall outside Yura's apartment. He lit a cigarette and looked me straight in the eye with an unpleasant smile. It was a frightening moment.
When Yura answered the door, he looked scared. He led me into the kitchen and told me it was impossible for him to continue with the class. He loved it, he said, but it was interfering with his work. He looked at me unhappily.
Later, Marina grabbed my arm. I told her about the man in the hall. "KGB," she said. "It's certain. There was also a woman who came by before you arrived. She knocked and came in and said she had the wrong apartment. But Yura and I knew what she was..."

"It's such a nuisance," she added. "These stupid agents. They just want to shake us up a bit. But now we have to find a different apartment for the class."
New Location
Jan. 16: Our new location is far away in the suburbs. The apartment is in one of the indistinguishable white high rises that stretch endlessly outside Moscow. The final membership of the class is six. They are all Jews, mostly scientists and engineers, who have applied to emigrate, and who are in the final stages of waiting for a visa — a process that can take more than two years.
Jan. 21: After each class, we have a discussion session that quickly turns into a question-and-answer period about the United States. The group bombards me with questions. How much does an art book cost in America? Is it true that many people own houses? What salary would an engineer make? What exactly is a credit card? A check?

These questions are understandable from people, denied any knowledge at all, who are about to start off life in a new country. What unnerves me is the eager assumption in their white bark, and Tomek Dolinski smiled. The strikes that later would bring vast change in Poland's power structure had begun, and analysts were struggling to explain the strange events in Gdansk and Szczecin and Silesia. But on this day one Pole needed not a word of explanation. The grove of birch trees told him he was home.
Later, Dolinski said he had felt he was getting close when he got on the train in Paris and heard only Polish spoken in his compartment.
While their families meandered through camps from Turkestan to Tanganyika to Great Britain, the Polish officers had been released from their Siberian prison to join the World War II Allied campaign in Italy. Tomek Dolinski's family eventually wound up in Argentina. Tomek's father got a job as a stevedore. His mother refused to learn Spanish. His sister fell in love with a fellow Pole and had a child. Tomek started to write and went to live in the old house where the Polish Socialist party in exile printed its newspaper.

Talk of Home

On Friday nights the Polish choir to which he belonged rehearsed, and afterward everyone went to the club on Calle Honduras, where fair-haired pilots leaned on the bar in the basement and swapped war stories.

In the patio of the old house in Buenos Aires, Dolinski and his friends argued about who were more valiant and romantic, the Spaniards or the Poles, and drank vodka flavored with mysterious herbs that some member of the Free Polish Forces had saved in a yellowing envelope after the battle at Monte Cassino. They followed the

voices and eyes that they are leaving not simply for a freer country, but for the blessed land of holy streets, God's kingdom on Earth. I try, cautiously, to present some of the negative as well as the positive sides of American life, but they will have none of it. "Don't tell us about the problems," said Vilen, a 50-year-old biology professor. "We know all about your racism and unemployment from Pravda."

Struggling with these questions, I thought of what Marina had told me earlier. "You have to understand that they're leaving everything that they know behind them," she had said. "They have to believe in America as a paradise, don't you see? Otherwise they'd lose their nerve."

Jan. 26: Yesterday was frightening. The scare-tactic mission has reached a peak, and I am beginning to think that I may have to quit the class. Marina, Yuliya and I were followed home very obviously today by a big man in a Soviet fake-denim jacket.
When I got back to the apartment, the phone began to ring. I picked it up, and there was breathing and then a click. Disconnected. This happened six times over the course of an hour. The seventh time, I picked up the receiver and said clearly and slowly into it the worst Russian obscenity I could think of. Then I hung up. A minute later, the phone rang again, and a woman's voice repeated the obscenity to me in English, in a vicious, heavily accented voice. I held the receiver silently. In a minute, the woman asked in Russian: "Who are you? What are you doing?" I said: "You should know." The phone went dead.

Note of Force

Jan. 31: The telephone harassment ended a few days ago on a genuine note of force. I had invited Marina home with me; she is one of the few Russian friends who dares visit me at the apartment, which we all know is bugged. We were eating lunch when the phone calls began again. After the third call, I was thinking of taking the phone off the hook when Marina said, "Let me try something." When the phone rang again, she picked up the receiver and said in a loud, authoritative voice: "I am an active Komsomol [Young Communist League] member, and I'm going to file a complaint!" She put down the receiver and smiled at me. "That ought to put the fear of God in them," she said.
"Fear of Lenin," I said.
It was like magic. The telephone has been silent ever since. Even the taping is much less obvious.

Feb. 3: As the class draws to an end, the subject of Jews and Jewishness comes more frequently into our conversation. At first, by a tacit agreement among all of us, there was silence on the subject. Now that we have only a few days left, we talk more freely. Raisa asked me about Jewish writers in America, and I mentioned Philip Roth and Bernard Malamud, among others.
Throughout our conversation, I was struck once more by something I had recognized earlier: how little the group seemed to know or care about Jewish religion and culture. For them, as for many Soviet Jews, Jewishness has been reduced to a matter of blood alone, a reason for persecution, or a means of emigrating to a better life outside the Soviet Union. Except for Raisa, a mathematician in her 40s, the class members are atheists who consider the Torah an artifact of a historical period long past.

Feb. 5: Today during one of the breaks from our endless drills, Raisa started to tell me about where she was born, a town in Belorussia that was destroyed by the Germans.
"How did you escape?" I asked.

"We made our way to Central Asia by truck, by wagon, by train, but mainly on foot," she said. "If you can imagine my mother with four children all under the age of 5. For a month we had no food. Nothing. And then the news came that the Nazis had captured our village. The old people, our friends and relatives, shut themselves up together in a small house and set it on fire."

On the bus going home, Marina was thoughtful. She said to me: "I am thinking about these war stories. They emphasize their suffering. But in general, Russian Jews are fortunate." Marina made a sudden sweeping gesture with her hand. "Look at the people on this bus — look at them! I'm married to a familiar row of plum workers in grimy quilted jackets, fantastically fat old women in chawls, girls with exhausted faces under their makeup, sleeping on each other's shoulders. Their faces are sad, so sad," Marina continued. "All Russian faces are permanently sad. These people lived through the war, or if they didn't, they have lived through an everyday life which is a smaller horror."

I heard bitterness in Marina's voice, and reflected for the first time how difficult it must have been for her, a non-Jew struggling to keep alive, to be with a group of future emigrants. "Most Jews, as you have seen, are richer than the average Russian," she said. "They are usually better educated and get higher-paying jobs. And above all, they can leave this ugly life and go to America. That is one great reason why the small Russians, the poor Russians, the unofficial Russians hate Jews."

Jingle Bells

Feb. 9: Our last day. After a final dialogue and pronunciation drill, we had a party. We drank a bottle of French cognac I had brought and felt both happy and sad. Everyone begged to sing "Jingle Bells," which I had taught them early on. So we sang, a bit slowly, but with perfect pronunciation. When it was time to go, we all embraced tearfully and promised to see each other in America.

On the way to the bus stop, I was silent. I was thinking about the class members, wondering about their preparations for departure, their misgivings, their farewells. I pictured them arriving in Vienna, staring at the streets that would seem so bright after Moscow; making their way in America on the strength of those absurd dialogues. Thinking of that, I wanted to laugh and cry at the same time.

"What are they all going to do?" I asked Marina, who was walking beside me.
Marina pulled her flowered scarf more tightly around her face. "They'll do all right," she said. "And so will I, if the time ever comes."

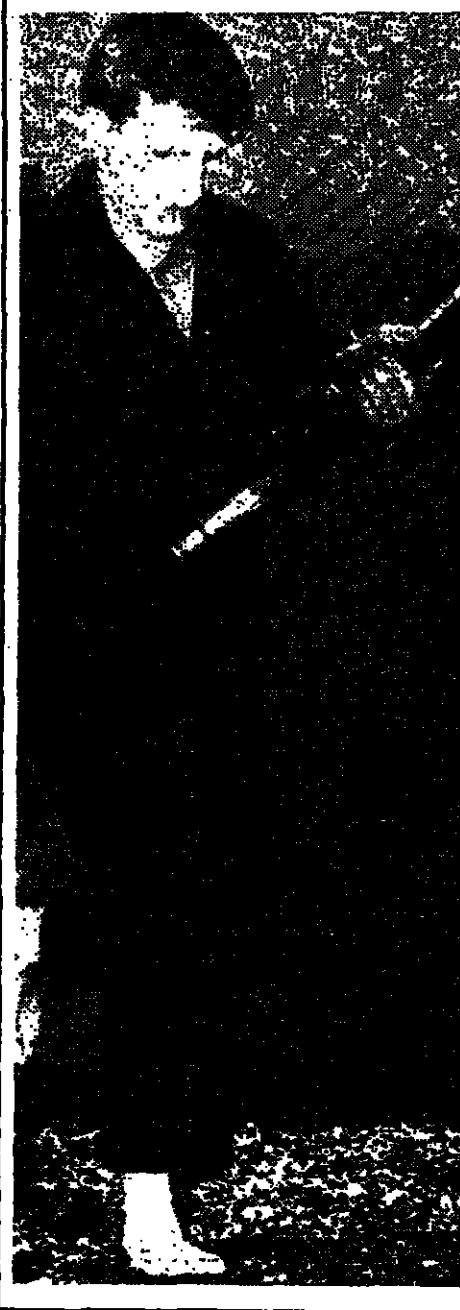
"Would you seriously try to emigrate?" I wasn't surprised by Marina's hint; in moments of exasperation, she often speaks of arranging a marriage of convenience to a foreigner or a Soviet Jew, and attaining the good life in America.

"Perhaps," she said thoughtfully. "But it would take so much effort. And the strange thing is that I love this awful country. If I left, I would always be torn, as they all will be — wait and see."



Villagers D Hot Co In Greek Ri Escape Bu

Each year, the northern Greek of Langada celebrates the feast of St. Constantine and St. Helen dancing on burning charcoal. Photograph above, a woman steps the coals before crowds on the square. At left, a villager steps the coal bed clutching the icon he believes will protect him from fire. He got through the coals v burns. The custom dates back 13th century, according to villagers, when members of the Bra village of Kosti rescued icons from burning church of Saints Helen Constantine. The Kosti residents to Greece in 1912. Villagers say it has never been injured by fire. Some scientists have theorized electromagnetic waves emitted body as a result of the spiritual protect the feet from the hot



4 Decades After Boxcar Ride to Exile, a Wandering Pole Comes Home

By Susan Linnee

WARSAW (HT) — There was no beer or sausage or tea in glasses on the train that carried Tomek Dolinski to the east of Poland 40 years ago this month. There weren't seats or pretty pictures in the boxcars where the 8-year-old boy, his younger sister, his mother and the families of hundreds of other Polish military officers rode for 12 days across the expanse of the Soviet Union to "resettlement camps" in Siberia.

On a recent day, as the Paris-to-Moscow express entered Poland at Kunowice, Dolinski (not his real name) stood before the map in the corridor, and with a finger traced the route of the railroad from where it entered the country at the East German border to where it left on the Soviet side. The beer had run out in the buffet car, but there was plenty of tea, sausage, sour rye bread and fat dill pickles.

The Russians came to the Dolinski home in Wilno early one morning in 1940 and gave everyone an hour to prepare for "a long journey." Tomek's father had already been taken away to a labor camp in Siberia because he had been in the Polish Reserves that defeated the Red Army in 1920 in a victory that secured short-lived independence for Poland. The 1939 German-Soviet agreement on the partition of Poland allowed the Russians to annex once again the eastern reaches of Poland, and move out inhabitants they didn't trust.

The night before he returned to Poland after 40 years in exile, Dolinski couldn't sleep. Beer dripped lazily as he crossed the border, and wheat fields shimmered in the sun. Tomek Dolinski gave no sign to acknowledge the moment.

Then the train passed through a thicket of trees with

white bark, and Tomek Dolinski smiled. The strikes that later would bring vast change in Poland's power structure had begun, and analysts were struggling to explain the strange events in Gdansk and Szczecin and Silesia. But on this day one Pole needed not a word of explanation. The grove of birch trees told him he was home.

Later, Dolinski said he had felt he was getting close when he got on the train in Paris and heard only Polish spoken in his compartment.

While their families meandered through camps from Turkestan to Tanganyika to Great Britain, the Polish officers had been released from their Siberian prison to join the World War II Allied campaign in Italy. Tomek Dolinski's family eventually wound up in Argentina. Tomek's father got a job as a stevedore. His mother refused to learn Spanish. His sister fell in love with a fellow Pole and had a child. Tomek started to write and went to live in the old house where the Polish Socialist party in exile printed its newspaper.

On Friday nights the Polish choir to which he belonged rehearsed, and afterward everyone went to the club on Calle Honduras, where fair-haired pilots leaned on the bar in the basement and swapped war stories.

In the patio of the old house in Buenos Aires, Dolinski and his friends argued about who were more valiant and romantic, the Spaniards or the Poles, and drank vodka flavored with mysterious herbs that some member of the Free Polish Forces had saved in a yellowing envelope after the battle at Monte Cassino. They followed the

events of 1956, 1970 and 1976 and talked about returning to Poland one day — at least to have a look.

The Argentine-born niece was the first of the family to leave — a chance opportunity, because the Argentine Embassy in Warsaw needed a Polish-speaking secretary. Her mother followed, and wrote letters about pickled mushrooms and how apartments could be bought with dollars. The old soldier and his wife made the trip back last year, when a man named Wojtyla, from Wadowice, was touring the country. They bought them an apartment and plan to return for good, even though they will miss their Sunday barbecues. Man, it seems, does not live by meat alone.
When it came his turn, Tomek Dolinski carried an unfinished novel into Warsaw. A delicate maiden aunt met the train. She took Dolinski's arm and reminded him of the last time they had met. It was 1936, she said, when he was 4 and she 14. He had sat on her lap and wet her brand-new dress. It was mid-summer and the shops were filled with sausages and meat and yellow mushrooms from the forests. War seemed far away.

"It was terrible, awful, but somehow we survived," she said, patting his cheek with a small hand encased in a white lace glove and leading him to the tram stop. She and her father had managed to move out of Warsaw before it was reduced to rubble in 1944. Although she had studied in France and Spain before the war, and later became a professor of Romance languages at the university, she had not left the country since.

Dolinski carried his novel around with him, as if waiting for a signal to complete it. The smell of fresh dirt permeated the city. Old women in head scarves offered extravagant bouquets of wildflowers for sale in front of the central market. There was no meat in the meat mar-

kets. The Poles shrugged and called them "empty-hook stores."

Every night Dolinski watched the news on television, and the words that had swirled around him in the turbulent years he had spent in Argentina doing odd jobs to support himself as a writer — strike, workers, demands, freedom, truth — took on new meaning.

New Meanings

He wasn't certain how long he would stay, but he wanted to travel around, to catch up on the lost 40 years. With groups of grim-faced peasants, he visited Krakow and Auschwitz. His companions dropped catenations at the execution wall, or laid them gently atop a glass case containing tattered baby clothes. A sign in one of the brick barracks said, "Here the Polish people began its martyrdom."

In the parking lot some boys rushed up and asked for coins. Dolinski wanted to know why they were begging. Not begging, they retorted; they were coin collectors from Oswiecim — Auschwitz. They weren't really happy with ordinary German marks. Argentine pesos would have been special.

In the Wawel castle in Krakow the tomb of poet-patriot Adam Mickiewicz is piled high with red and white flowers. In the cathedral in Warsaw's rebuilt Old Town, the only candle to be had was a huge one used for baptisms. Dolinski bought it and lit it in front of a statue of St. Anthony, patron of lost things.

One day he walked through a driving rain in a spacious, desolate suburb where new, gray apartment blocks stand like sentinels against the horizon. He had an invita-

tion from a theater student he had met on a trip pycsed cakes and wine and tea took off the chill. D had wanted to talk about drama, but the subject of ers and strikes kept coming up.

The student's father was a trade union official. Dolinski's friend lived in the Soviet Union as visiting Poland as part of an official trade union dition. She couldn't get a flight to Gdansk because were so many reporters going up there, she said. Sh the father agreed that the official Polish union move was not serving as a proper conduit between the Communist Party vanguard and the working masses. But would rather tell jokes.

"Is it possible for Austria to become a Socialist try?"
"Yes, it is possible, but what do you have against try?"

"What is a Russian quarter?"
"What is left of the Russian symphony after its from New York."

Dolinski asked why.
"Because I'm from Wilno," she answered.
Dolinski said he was, too. They linked arms for a it.
"Wilno isn't in Poland anymore, you know," the an said. "It's back in Russia again."

That night at the niece's apartment everyone said drowa "with glasses of home-brewed vodka and fell as the 7:30 news came on the air. The niece was pregnant, and her husband had obtained a special from his annual military service.

The next day, a son was born. A new branch of Dolinski family had put down roots in Poland.

BUSINESS NEWS BRIEFS

or, Double Eagle in Alaskan Oil Find
JUVER, British Columbia, Sept. 10 (Reuters) — Warrior Re-Double Eagle Energy & Resources said they have made a find in southern Alaska. Previous attempts to find oil in the area, they said.

in the companies' stock was halted in London, Vancouver and U.S. over-the-counter market after sharp rises in price. Double Eagle has a 62.5-percent working interest and a 48.96-percent net interest in the well until all costs have been recovered. After that net interest is reduced to 37.5 percent, of which Warrior Re-entitled to 7.5 percent.

3L Metro a Miniguzzi

ON, Sept. 10 (Reuters) — British Leyland's new mini Metro has the future of the state-backed manufacturer could depend, over economical in fuel consumption than its rivals, according to a report by the Department of Trade figures, the Metro will average 83.529 kilometers per gallon, which in metric terms is 3.4 liters per kilometer, at a constant 90 miles (49 km) an hour. The department's trials indicate the Metro's town fuel consumption at 42 miles per gallon (6.8 liters per 100 km).

stant 56 miles (90 km) per hour the Metro gets 58.3 mpg or 5.1 per 100 km. This compares with 46.1 mpg (6.13 liters per 100 km) for the Fiat 127, 50.4 mpg (5.6 liters per 100 km) for the Ford Fiesta and 49.9 mpg (5.6 liters per 100 km) for the Renault 5. The Metro's 275-hp engine in the Metro, building a highly competitive outside Birmingham where much of the assembly is rolled. BL's home market share has dwindled sharply in recent years and it hopes that the Metro will capture some of the 60 percent taken by imported cars.

to Keep Limits on Car Exports to U.K.
ON, Sept. 10 (Reuters) — Japanese automakers have agreed to limiting auto exports to Britain next year so that their share of the market does not exceed 11 percent, a spokesman for the Society of Motor Manufacturers and Traders said today.

apan Automobile Manufacturers Association agreed in talks with the SMMT to call on members to "continue to exercise self-restraint in their marketing policies in 1981," the spokesman said.

Promotes TV Station Expansion

INGTON, Sept. 10 (NYT) — The Federal Communications Commission proposed a new policy yesterday that would create a new class of low-power stations in cities and rural areas. The move, if finalized, would create a new class of low-power stations within the ultra-high-frequency band. Some stations might be able to operate on a 100-watt power level, FCC officials said.

le changes would create competition for existing stations. The commission said the National Association of Broadcasters on Sept. 10 that the signals would interfere with local stations.

n Firm Claims World's Fastest Computer
O, Sept. 10 (AP-DJ) — Nippon Electric, a major Japanese electronics manufacturer, has introduced a general-purpose computer system it claims as the world's largest and fastest.

company's new machine, the ACOS System-1000, has a primary storage capacity of 64 million bytes, two to four times more than previous models, and is capable of calculating and executing in a rate of 15 million times a second, a company spokesman said.

company said the new system employs two super large-scale integrated circuits, one with a 640-kilobit memory chip and the other with two times higher.

French Unit May Be Forced to Close
Villages, Sept. 10 (AP-DJ) — Cie. Generale de Constructions Telephoniques, a French unit of the International Telephone and Telegraph Corp., may be forced to close or reduce its activities if the French telecommunications authority does not order CGCT's digital switching system, a company official said today.

as commenting on remarks made in Brussels on yesterday by the president of ITT Europe, to the effect that, if France placed orders for the CGCT system, the group may decide to sell the unit. French industry sources are interpreting ITT's stand as a move to blackmail since the closure of CGCT will mean the dismissal of 8,000 persons at its four French plants, which are located already suffering from high unemployment.

GCCT official said the company has been seeking French adoption of the system for nearly a year, and that ITT president Rand discussed the matter with French Prime Minister Raymond Barre and other top ministers during a visit to Paris in January. ITT has substantially reduced its activities in France as part of the geographical redeployment strategy in Europe.

Massey-Ferguson Seeking Help

NTO, Sept. 10 (AP-DJ) — Massey-Ferguson, a Canadian farm machinery manufacturer, is seeking help to participate in a "willingness in principle to participate...subject to certain conditions."

Argus, a holding company controlled by the Black family of Toronto, owns about 16 percent of Massey-Ferguson's common outstanding. But Argus cautiously wrote off its investment in the company several months ago, for accounting purposes.

Massey-Ferguson has appealed to the governments of Canada and the province of Ontario. They said Monday that they expect to decide by late this month whether to come to the rescue, after taking into account private-sector support.

After a \$262.4-million loss in the year ended October 1978, when Massey-Ferguson suspended dividends on its common and preferred stock, the company moved to create a leaner, more efficient organization, and focus attention on the core business of farm equipment and diesel engines.

In the preceding years, management had pursued expansion and diversification, funded by debt, only to find that the costly new assets they acquired often were not sufficiently profitable.

Analysts agree that the crash cost-cutting program streamlined operations and laid the foundation for growth. In fiscal 1979, the firm reported a \$36.9-million profit.

But the British pound strengthened against the U.S. dollar, hurting Massey-Ferguson's large U.K. diesel engine and tractor operations. The North American farm machinery market, which accounts for about 25 percent of sales, turned sour as the U.S. recession took hold. Some third world countries ran out of foreign exchange and could not afford to buy farm equipment.

At the same time, interest rates rose to historic levels. As a result, while Massey-Ferguson's operating results suffered from market setbacks, its debt-load worsened.

On July 31, Massey-Ferguson had total debt outstanding of \$1.84 billion, up 54 percent in nine months, while short-term bank borrowings had more than doubled to \$1.19 billion. With a 24-percent average interest rate on short-term debt, in part driven up by astronomical rates in Brazil and Argentina, the company's interest payments on short-term debt alone in the nine months ended July 31 totaled \$130 million.

Some observers believe the roots of Massey-Ferguson's problems involve fundamental strategic weaknesses dating almost to the company's inception.

1981 Budget Presented By France

By Jack Aboaf

PARIS, Sept. 10 (AP-DJ) — France unveiled details of its 1981 draft budget today, showing that it is consistent with the austerity policy pursued by the government of Prime Minister Raymond Barre during the past four years.

Overall expenditure is set to increase 16.4 percent to 611.4 billion francs (about \$148 billion), leaving a deficit of 29.4 billion francs, slightly below the 31.2-billion shortfall in this year's budget, and corresponding to less than 1 percent of gross national product.

With an eye on next year's presidential election, the budget is designed to "sustain" the economy and to defend the franc and is expected to satisfy both the business community and individual taxpayers.

Top priority, however, is given to defense, productive investment, research and social policy. The government will reduce its operating expenditure by 13 billion francs, and will create 1,890 new jobs compared with over 20,000 this year.

In a bid to stimulate lagging investments, corporations are authorized to deduct from taxable profits amounts equalling 10 percent of their investments during the next five years. With profits currently taxed at 50 percent, the investment incentive corresponds to a direct subsidy of 5 percent, and is estimated to cost the government 5 billion francs annually.

The budget also provides for a special contingency fund of 6.5 billion francs to be used if needed to support ailing sectors.

Oil companies, however, will be penalized next year to the tune of 2 billion francs through a reform of the existing complex tax system and by raising the levy on domestic oil and gas production to a maximum of 20 percent from 14 percent at present.

The government will raise tax brackets of white-collar workers by between 8 and 13.3 percent to take into account the effects of inflation, and reduce taxation for the lower-income groups. These tax breaks will cost the government an estimated 11.8 billion francs in lost income.

The government will be less generous for the nationalized and public sectors next year, with subsidies set to increase only 2 percent to 24.32 billion francs. Public utilities, however, are expected to compensate for the loss in government aid by raising tariffs and through more rigorous management.

The government has earmarked 23.7 billion francs for unemployment benefits, up 18.5 percent from 1979. It will also raise family allowances and old age pensions. But it will increase alcohol taxes 9.5 percent, yielding an income of about 1.4 billion francs. The defense budget will increase 17.9 percent to 104.43 billion francs.

Some observers believe the roots of Massey-Ferguson's problems involve fundamental strategic weaknesses dating almost to the company's inception.

At the same time, interest rates rose to historic levels. As a result, while Massey-Ferguson's operating results suffered from market setbacks, its debt-load worsened.

On July 31, Massey-Ferguson had total debt outstanding of \$1.84 billion, up 54 percent in nine months, while short-term bank borrowings had more than doubled to \$1.19 billion. With a 24-percent average interest rate on short-term debt, in part driven up by astronomical rates in Brazil and Argentina, the company's interest payments on short-term debt alone in the nine months ended July 31 totaled \$130 million.

Some observers believe the roots of Massey-Ferguson's problems involve fundamental strategic weaknesses dating almost to the company's inception.

At the same time, interest rates rose to historic levels. As a result, while Massey-Ferguson's operating results suffered from market setbacks, its debt-load worsened.

On July 31, Massey-Ferguson had total debt outstanding of \$1.84 billion, up 54 percent in nine months, while short-term bank borrowings had more than doubled to \$1.19 billion. With a 24-percent average interest rate on short-term debt, in part driven up by astronomical rates in Brazil and Argentina, the company's interest payments on short-term debt alone in the nine months ended July 31 totaled \$130 million.

Some observers believe the roots of Massey-Ferguson's problems involve fundamental strategic weaknesses dating almost to the company's inception.

At the same time, interest rates rose to historic levels. As a result, while Massey-Ferguson's operating results suffered from market setbacks, its debt-load worsened.

On July 31, Massey-Ferguson had total debt outstanding of \$1.84 billion, up 54 percent in nine months, while short-term bank borrowings had more than doubled to \$1.19 billion. With a 24-percent average interest rate on short-term debt, in part driven up by astronomical rates in Brazil and Argentina, the company's interest payments on short-term debt alone in the nine months ended July 31 totaled \$130 million.

Some observers believe the roots of Massey-Ferguson's problems involve fundamental strategic weaknesses dating almost to the company's inception.

At the same time, interest rates rose to historic levels. As a result, while Massey-Ferguson's operating results suffered from market setbacks, its debt-load worsened.

On July 31, Massey-Ferguson had total debt outstanding of \$1.84 billion, up 54 percent in nine months, while short-term bank borrowings had more than doubled to \$1.19 billion. With a 24-percent average interest rate on short-term debt, in part driven up by astronomical rates in Brazil and Argentina, the company's interest payments on short-term debt alone in the nine months ended July 31 totaled \$130 million.

Some observers believe the roots of Massey-Ferguson's problems involve fundamental strategic weaknesses dating almost to the company's inception.

At the same time, interest rates rose to historic levels. As a result, while Massey-Ferguson's operating results suffered from market setbacks, its debt-load worsened.

On July 31, Massey-Ferguson had total debt outstanding of \$1.84 billion, up 54 percent in nine months, while short-term bank borrowings had more than doubled to \$1.19 billion. With a 24-percent average interest rate on short-term debt, in part driven up by astronomical rates in Brazil and Argentina, the company's interest payments on short-term debt alone in the nine months ended July 31 totaled \$130 million.

New Foundations of Industry Small Microchip Firms Turning Investors On

By Robert Metz

NEW YORK, Sept. 10 (NYT) — Companies that produce computers using silicon chips and other semiconductor devices are drawing so much investor attention that Wall Street has taken up the game and is touting companies that are operating in the red as well as those that are profitable.

One reason for this development: It is widely believed that microcomputers and other semiconductors will become the building blocks of a new industrial order.

As a result of the widespread enthusiasm to get into the business, interest in the shares of the smaller semiconductor companies has grown. A recent example is the unprofitable but promising Nytron Inc., which became McDonnell Douglas's captive supplier of microelectronic circuits when it was founded in 1972.

McDonnell Douglas has since cut off further financing because of other priorities, and underwriter John Muir & Co. recently offered the first public shares — one million at a price of \$5 each — reducing McDonnell Douglas's ownership to 23 from 42 percent.

The bulk of the proceeds was used to pare down Nytron's debt, now about \$1.5 million.

Nytron develops, designs, fabricates and assembles large-scale integrated electronic semiconductor devices and also systems incorporating these devices. But the company has not been profitable. In the most recent fiscal year ended Sept. 30, 1979, Nytron lost \$1.3 million on sales of \$6.3 million. For the current fiscal year the company is expected to show a much diminished loss.

Still, the over-the-counter market has been strong with the shares trading at nearly double the May offering at 9 1/2 bid.

To some, this price for an as yet unsuccessful company represents rampant speculation. The skeptics believe the shares are simply benefiting from a bubbly market for producers of microprocessor chips and the fact that some types of silicon chips are in short supply.

For there are several negatives at Nytron. For one thing, the company is operating at about 25 percent of capacity and needs substantial additional capital to improve the operating level.

Harold Warshaw, a Muir analyst, estimates that the company will need \$10-to-\$15 million in additional capital over the next year to increase production to a profitable level. He argues that such an investment would dramatically increase capacity and revenues. With an investment of \$20 million or more, he said, the plant could operate at capacity and earn revenues of \$40 million a year.

Mr. Warshaw said the company was interesting as a takeover candidate because a large, well-financed corporation could put in the money to quickly get production up to capacity.

The enthusiasm for the stock, he said, reflects the fact that some major institutional houses have visited the company and have been impressed with its takeover prospects.

liminary injunction as to whether Jupiter officials knew of Mr. Smith's activities.

According to the suit, Hutton salesman Robert Grenley "falsely represented" to the six plaintiffs that the value of Jupiter stock would rise significantly.

Last March, when the stock was selling at about \$8 a share, Mr. Grenley advised stockholders against selling their shares because of the anticipated increase in value, according to the court papers.

The suit seeks \$5 million in exemplary damages for each of the plaintiffs allegedly damaged by Hutton's actions.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

The SEC complaint, and the subsequent preliminary injunction, identify Jupiter Development as a registered Canadian corporation dealing in mineral development projects whose shares are traded on the Alberta stock exchange. There is no statement in the preliminary injunction July 16 against the stock's promoter, Brian Patrick Smith, after claiming in federal court papers that Mr. Smith ordered \$383,251.60 worth of stock in the company without paying for it, or using checks that were not good. He could not be reached for comment.

Fed Sees Slow Money Growth

WASHINGTON, Sept. 10 (Reuters) — A continued slowing in the growth of the money supply and credit was promised today by Federal Reserve Board Chairman Paul Volcker.

He told the House Budget Committee that the Fed last month reaffirmed its ranges for the money aggregates that call for "deceleration of money growth in 1980" from the pace of 1979. He said tentative ranges established for next year "specify slightly lower growth."

He also expressed concern about plans to increase 1981 spending to counter the recession and said the size of any tax cut must be linked to progress in spending restraint. He said the adverse effects of a tax cut "may more than offset the good" if federal spending is not restrained at the same time.

The Fed's targets are consistent with a number of possible combinations of real growth and inflation. He said if inflation tends to decline, the prospects for satisfactory growth in money aggregates "will be greatly improved."

Mr. Volcker said some recent economic data can be interpreted as suggesting the recession could be relatively short-lived. However, he said the fundamental economic problems of the economy, such as poor productivity, low savings, high energy costs and uncertainties that push up prices, remain.

In related news, the Commerce Department reported that business, still unsure about the economy, have scaled down for the second time this year plans for investing in new plant and equipment. A survey conducted in July and August showed businesses plan to spend \$192.5 billion for capital projects this year, an increase of 8.7 percent over 1979. Surveys in the first and second quarter showed planned spending increases of 11.1 and 9.9 percent, respectively.

The cuts came from earlier this year came mainly among manufacturers of durable goods — chiefly cars and steel — and in non-manufacturing industries, including communications, construction and finance.

Actual spending rose 1.3 percent

in the second quarter — 1.5 percent higher than the businesses had said in June that they were planning — following an increase of 2.4 percent in the first quarter, the department said. The figures are not adjusted for inflation.

The Fed itself reported today that consumers, apparently gaining confidence in the economy, increased credit purchases 18.4 percent in July. Extensions of new consumer installment credit rose to \$24.5 billion from \$20.7 billion in June. The increase, the first since February, was led by a 38.6-percent rise in new credit for automobiles.

But total outstanding consumer credit declined in July — for the fourth straight month — by a seasonally adjusted \$609 million, or at an annual rate of 2.5 percent. The total had fallen by 13.5 percent in June as consumers rushed to get out of debt and were cautious about making new credit purchases.

Consumers paid off \$25.1 billion worth of credit in July, compared with \$24.2 billion the previous month. At the end of July, consumers owed an estimated \$301.8 billion in installment loans, 2.3 percent above the July, 1979, mark.

In yet another report, the Federal Trade Commission said that manufacturers' after-tax profits slipped to 4.8 percent of sales in the second quarter from 5.3 percent in the first quarter and 6.1 percent a year earlier.

Institutions Lift NYSE

NEW YORK, Sept. 10 (Reuters) — Oil and precious metal issues were among the best gainers today as prices on the New York stock market moved higher in heavy trading, extending yesterday's firming trend.

Analysts said the market continued to draw support from cash-laden institutions and others who began bargain hunting yesterday after several days of price weakness.

Advances led declines all day and ended with a two to one advantage. The Dow Jones industrial average gained 98.48, up 3.75 points at the close. The average was off fractionally early but recovered for a gain of seven points by mid-afternoon before easing again. Volume expanded to 52 million shares from 44.46 million yesterday.

Analysts tied the early weakness in the average to a jump of about \$20 in the spot gold price in New York. Later however, gold pared its gain to \$10 on the Comex. The market retreated sharply Monday when gold surged about \$30.

Analysts also said inflation and interest rate worries were keeping investors cautious. Salomon Brothers partner Henry Kaufman forecast a sluggish economic recovery marked by high inflation and Federal Reserve Chairman Paul Volcker said the Fed would continue efforts to slow growth of the money supply.

News that consumer credit declined again in July was mildly positive, analysts said, indicating consumers continued to reduce debt, a condition seen as necessary to any revival of consumer spending. Later, the Commerce Department reported a modest 1.5 percent rise in August retail sales.

Among precious metal issues, active Engelhard Minerals gained 1 1/2 to \$74, ASA Ltd. 3/4 to 77 1/2, Dome Mines 3/4 to 131 and Homestake 3/4 to 94 1/2.

Suit Against E.F. Hutton Alleges False Statements

By Robert T. Meyers

WASHINGTON, Sept. 10 (WP) — E.F. Hutton has been sued for more than \$35 million in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

The lawsuit, filed in federal court in Alexandria, Va., by investors who claim the firm enticed them through deliberately false and misleading statements into buying stock in a Canadian mining company.

CURRENCY RATES

Interbank exchange rates for September 10, 1980, excluding bank service charges:

	\$	£	D.M.	F.F.	Y.	S.F.	S.P.	S.K.
Amsterdam	1.3335	4.4440	108.74	4.477	0.2288	—	—	—
Bremen (a)	28.525	68.5425	16.83	4.8955	3.3715	—	—	—
Frankfurt	1.7799	4.2715	—	4.201	2.102	—	—	—
London (b)	2.4025	—	—	4.2675	9.248	2.031.10	—	—
Milan	845.55	2.023.50	478.89	204.54	—	—	—	—
New York	4.1380	2.4208	5.5254	0.2471	—	—	—	—
Paris	4.7380	9.4975	22.2584	—	4.8855	—	—	—
Zurich	1.4313	3.9146	91.6784	39.4176	0.1976	—	—	—
ECU	1.4218	0.9913	2.5284	0.2821	1.20841	—	—	—

Dollar values

Dollar values							
\$	£	D.M.	F.F.	Y.	S.F.	S.P.	S.K.
Eqv.	Currency	Per U.S.	Eqv.	Currency	Per U.S.	Eqv.	Currency
0.0247	Belgian fr. franc	28.80	0.2020	Hong Kong \$	4.9595	0.2013	Senegal Rhyol
0.0247	Canadian \$	1.1619	2.1160	Irish £	0.6757	0.2076	Singapore \$
1.1118	Dutch guilder	0.1833	0.1833	Israeli \$	1.7075	0.4471	Sri Lanka \$
0.0305	Drachena	42.075	3.7493	Kenyan shilling	0.3623	0.2481	Swedish krona
0.2530	Ecu	N.A.	0.2076	Malay. krona	4.8125	0.2712	U.A.R. \$
N.73	Fla. mark	3.6340	0.3017	Peseta	73.075	0.0046	Yen

World Bank; IMF Sees Grim World Outlook

By William H. Jones

WASHINGTON, Sept. 10 (WP) — An extremely grim world economic situation has emerged in the past year because of high inflation, volatile trading relationships and a marked slowdown in growth, according to the annual report of the International Monetary Fund.

The IMF also warned that soaring trade deficits in developing countries that do not produce oil are threatening the ability of these nations to find financial support for expanded trading and economic expansion.

A slowdown in growth in industrial nations could lead to a halt in the expansion of world trade and create another international recession, the organization said in a report scheduled for publication next weekend.

Privately, IMF officials have said they expect that a major theme of debates at the organization's annual meetings here later this month will be urgent appeals by developing nations for more extensive help from the richer countries.

At the same time, an IMF official forecast that the predicted debates are not expected to result in substantive policy changes or initiatives from the prosperous countries. Nor is any softening expected in implementation of IMF lending guidelines, although some international lending executives anticipate a move to permit longer periods for loan repayments by countries strapped for funds.

In varying degrees, a major factor in all of the recent negative economic trends has been the more than doubling of oil prices since the end of 1978. An IMF economic analysis in June had placed the blame for world economic woes squarely on oil prices.

In its annual report, the IMF expressed particular concern about the sharp growth in trading deficits of non-oil-developing nations — from \$36 billion in 1978 to \$53 billion last year and to an estimated \$70 billion for 1980.

"These deficits will continue to rise considerably in 1981, creating 'one of the major issues confronting the Fund as well as the countries themselves,'" the report stated.

But the IMF also stated that inflation in industrial countries is the single most disturbing feature of the current world economic situation. The IMF monitors the state of the economy in the world and its 140 member nations, providing policy advice and financing to countries in difficulties.

Continuation of a very slow expansion in the industrial nations' output, perhaps as little as 1 percent a year, was forecast for 1980 and 1981, including outright declines this year in the United States and Britain.

The IMF study offered no inflation forecast but said that the slowdown in worldwide economic activity would tend to relieve some upward pressures on prices.

Combined current-account balances (sums of trade and other cash transactions with other nations) of industrial countries could reflect a deficit of \$50 billion in 1980, a negative shift of more than \$80 billion from 1978 that is concentrated almost entirely in the trade balances of West Germany, Japan and Italy, three nations with the strongest trading positions just two years ago.

In contrast, from a weak position in 1978, the U.S. balance has shown a marked improvement that reflects effective depreciation of the dollar in 1977 and 1978.

in the last fiscal year, the IFC said that its private sector investment operations — equity and loans — reached \$681 million, up \$256 million from the previous year's total of \$425 million.

Half of the total went to countries with a per capita income of less than \$626 a year, with manufacturing projects (although still accounting for the biggest portion) less dominant than they used to be.

The total cost of the projects stimulated by IFC operations was estimated by the report at \$2.4 billion, up from \$1.7 billion in the previous year.

The report stressed the need for a much bigger involvement of private capital because "it is the corporation's view that even a massive new round of recycling of oil country surpluses to developing countries might not be enough."

It notes, as did a recent study by Dr. Isaiah Frank for the Committee for Economic Development, that there has been a more receptive attitude on the part of many developing nations toward private business investment.

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summarizing its own activities

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

port scheduled for publication next weekend.

Privately, IMF officials have said they expect that a major theme of debates at the organization's annual meetings here later this month will be urgent appeals by developing nations for more extensive help from the richer countries.

At the same time, an IMF official forecast that the predicted debates are not expected to result in substantive policy changes or initiatives from the prosperous countries. Nor is any softening expected in implementation of IMF lending guidelines, although some international lending executives anticipate a move to permit longer periods for loan repayments by countries strapped for funds.

In varying degrees, a major factor in all of the recent negative economic trends has been the more than doubling of oil prices since the end of 1978. An IMF economic analysis in June had placed the blame for world economic woes squarely on oil prices.

In its annual report, the IMF expressed particular concern about the sharp growth in trading deficits of non-oil-developing nations — from \$36 billion in 1978 to \$53 billion last year and to an estimated \$70 billion for 1980.

"These deficits will continue to rise considerably in 1981, creating 'one of the major issues confronting the Fund as well as the countries themselves,'" the report stated.

But the IMF also stated that inflation in industrial countries is the single most disturbing feature of the current world economic situation. The IMF monitors the state of the economy in the world and its 140 member nations, providing policy advice and financing to countries in difficulties.

Continuation of a very slow expansion in the industrial nations' output, perhaps as little as 1 percent a year, was forecast for 1980 and 1981, including outright declines this year in the United States and Britain.

The IMF study offered no inflation forecast but said that the slowdown in worldwide economic activity would tend to relieve some upward pressures on prices.

Combined current-account balances (sums of trade and other cash transactions with other nations) of industrial countries could reflect a deficit of \$50 billion in 1980, a negative shift of more than \$80 billion from 1978 that is concentrated almost entirely in the trade balances of West Germany, Japan and Italy, three nations with the strongest trading positions just two years ago.

In contrast, from a weak position in 1978, the U.S. balance has shown a marked improvement that reflects effective depreciation of the dollar in 1977 and 1978.

in the last fiscal year, the IFC said that its private sector investment operations — equity and loans — reached \$681 million, up \$256 million from the previous year's total of \$425 million.

Half of the total went to countries with a per capita income of less than \$626 a year, with manufacturing projects (although still accounting for the biggest portion) less dominant than they used to be.

The total cost of the projects stimulated by IFC operations was estimated by the report at \$2.4 billion, up from \$1.7 billion in the previous year.

The report stressed the need for a much bigger involvement of private capital because "it is the corporation's view that even a massive new round of recycling of oil country surpluses to developing countries might not be enough."

It notes, as did a recent study by Dr. Isaiah Frank for the Committee for Economic Development, that there has been a more receptive attitude on the part of many developing nations toward private business investment.

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

port scheduled for publication next weekend.

Privately, IMF officials have said they expect that a major theme of debates at the organization's annual meetings here later this month will be urgent appeals by developing nations for more extensive help from the richer countries.

At the same time, an IMF official forecast that the predicted debates are not expected to result in substantive policy changes or initiatives from the prosperous countries. Nor is any softening expected in implementation of IMF lending guidelines, although some international lending executives anticipate a move to permit longer periods for loan repayments by countries strapped for funds.

In varying degrees, a major factor in all of the recent negative economic trends has been the more than doubling of oil prices since the end of 1978. An IMF economic analysis in June had placed the blame for world economic woes squarely on oil prices.

In its annual report, the IMF expressed particular concern about the sharp growth in trading deficits of non-oil-developing nations — from \$36 billion in 1978 to \$53 billion last year and to an estimated \$70 billion for 1980.

"These deficits will continue to rise considerably in 1981, creating 'one of the major issues confronting the Fund as well as the countries themselves,'" the report stated.

But the IMF also stated that inflation in industrial countries is the single most disturbing feature of the current world economic situation. The IMF monitors the state of the economy in the world and its 140 member nations, providing policy advice and financing to countries in difficulties.

Continuation of a very slow expansion in the industrial nations' output, perhaps as little as 1 percent a year, was forecast for 1980 and 1981, including outright declines this year in the United States and Britain.

The IMF study offered no inflation forecast but said that the slowdown in worldwide economic activity would tend to relieve some upward pressures on prices.

Combined current-account balances (sums of trade and other cash transactions with other nations) of industrial countries could reflect a deficit of \$50 billion in 1980, a negative shift of more than \$80 billion from 1978 that is concentrated almost entirely in the trade balances of West Germany, Japan and Italy, three nations with the strongest trading positions just two years ago.

In contrast, from a weak position in 1978, the U.S. balance has shown a marked improvement that reflects effective depreciation of the dollar in 1977 and 1978.

in the last fiscal year, the IFC said that its private sector investment operations — equity and loans — reached \$681 million, up \$256 million from the previous year's total of \$425 million.

Half of the total went to countries with a per capita income of less than \$626 a year, with manufacturing projects (although still accounting for the biggest portion) less dominant than they used to be.

The total cost of the projects stimulated by IFC operations was estimated by the report at \$2.4 billion, up from \$1.7 billion in the previous year.

The report stressed the need for a much bigger involvement of private capital because "it is the corporation's view that even a massive new round of recycling of oil country surpluses to developing countries might not be enough."

It notes, as did a recent study by Dr. Isaiah Frank for the Committee for Economic Development, that there has been a more receptive attitude on the part of many developing nations toward private business investment.

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

Summary

But just at the time that the Third World nations would welcome more private investment from multinational companies, the IFC said, "rising uncertainties and financial restraints are keeping foreign private investors at home, so that in real terms, foreign direct private investment has stagnated in recent years."

ADVERTISEMENT

INTERNATIONAL FUNDS

September 10, 1980

The net asset value quotations shown below are supplied by the Funds listed with the exception of some funds whose quotes are based on issue prices. The following symbols indicate frequency of quotations supplied for the FIF: (D)—daily; (W)—weekly; (M)—monthly; (Q)—quarterly; (Y)—yearly.

ALLIANCE INT'L FUND (Bermuda) (D) \$1.00

(D) Alliance Int'l Fund (D) \$1.00

BANK JULIUS BAER & Co. Ltd. (D) \$1.00

(D) Bank Julius Baer & Co. Ltd. (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

(D) Bank of America (D) \$1.00

BANK OF AMERICA (D) \$1.00

Other Funds

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

(D) Alexander Fund (D) \$1.00

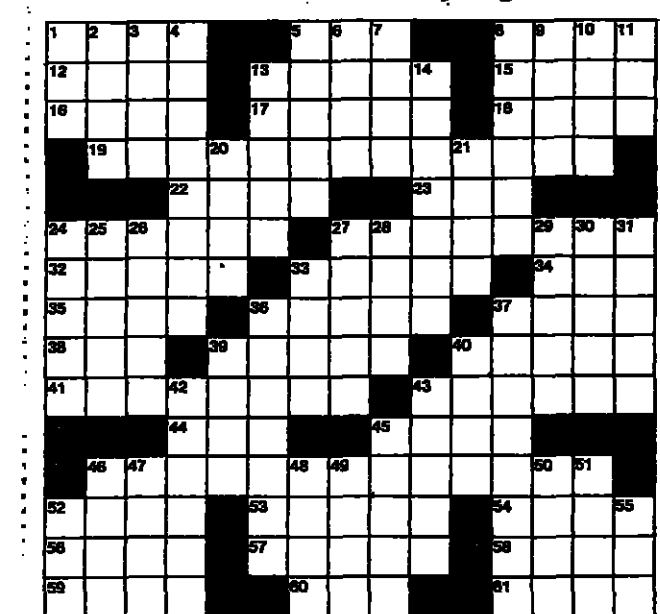
(D) Alexander Fund (D) \$1.00

NYSE Nationwide Trading Closing Prices Sept. 10

Tables include the nationwide prices up to the closing on Wall Street.

[illegible]

CROSSWORD By Eugene T. Maleska



- ACROSS**
- German coal region
 - Fordham's mascot
 - Tempo
 - Climax
 - Hawkins or Thompson
 - Redolence
 - Creator of Ferdinand the Bull
 - Nader's "Unsafe—Speed"
 - Rain bard
 - Drink for a youngster
 - Actress Gwyn
 - Tiller's tool
 - Assent
 - Evening event, usually
 - Mild cigar
 - Phil Donahue's wife
 - "—Sine Numine," Colo. motto
 - Promising
 - City near Leipzig
 - "Valentines and Vitrifol" author
 - "Got a Secret"
- DOWN**
- Salutation to Miss Parton?
 - Roscoe Tanner's cannonball
 - Charlotte Russe and mousses
 - Toulouse-Lautrec specialty
 - Choler
 - Chicken—(C)bers' weigh station
 - Large dog
 - Heathery tract
 - Latin name for Troy
 - Young rhinoceros
 - Seaweed derivative
 - Handles a problem
 - Faithful
 - Adriatic wind
 - Luge or pung
 - Magpie or mineo
 - Experts in dogfights
 - Oriental nursemaid

Solution to Previous Puzzle

DASH HISSER GAMA
 TIGER HISSER GAMA
 SEAL GLARE HAVES
 GARDENHOPES DRIVE
 ARMY SIBS
 GALLANT AERODOL
 OVAL AGRO SIBS
 AIRIT POWER TRAD
 DACHA BEMO HOLY
 SWEEZER ODESSA
 GOLF SIBS
 GAZA INTERCROSS
 ONER CABAT BURP
 STUD AMBLY LEBE
 HESIT LITTLE TUDY

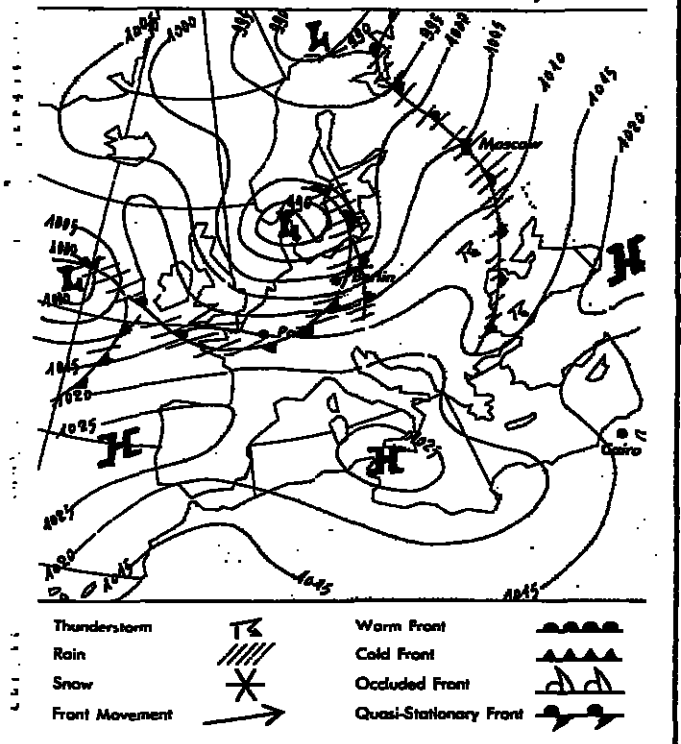
WEATHER

ALBUQUERQUE	C	F		MADRID	C	F
AMSTERDAM	15	59	Fair	MILAN	27	81
ANDALUSIA	22	72	Cloudy	MONTREAL	15	59
ANTWERP	26	79	Fair	MOSCOW	23	74
BEIRUT	28	82	Cloudy	MUNICH	22	72
BELGRADE	20	68	Rain	NEW YORK	21	70
BERLIN	18	64	Fair	OSLO	17	63
BIRMINGHAM	14	57	Overcast	PARIS	16	61
BUCHAREST	26	79	Overcast	ROME	11	52
BUDAPEST	13	55	Rain	STOCKHOLM	14	57
CASABLANCA	28	82	Fair	TEHRAN	29	84
COPENHAGEN	14	57	Fair	TEL AVIV	24	75
COSTA DEL SOL	26	79	Fair	TOKYO	24	75
DUBLIN	12	54	Showers	TORONTO	22	72
EDINBURGH	12	54	Rain	WASHINGTON	14	57
FLORENCE	27	81	Overcast	ZURICH	14	57
FRANKFURT	16	61	Cloudy			
GENOVA	17	63	Overcast			
HELSINKI	14	57	Cloudy			
HONGKONG	28	82	Fair			
HOUSTON	22	72	Cloudy			
ISTANBUL	24	75	Cloudy			
LAS PALMAS	24	75	Cloudy			
LISBON	22	72	Fair			
LONDON	19	66	Fair			
LOS ANGELES	22	72	Fair			

(Yesterday's readings U.S. and Canada at 1700 GMT; Houston and Los Angeles at 2000 GMT; rest of world at 0000 GMT.)

(Yesterday's readings U.S. and Canada of 1980 GMT; London and Los Angeles of 2000 GMT; others of 1200 GMT.)

Situation Forecast for Noon G.M.T. Thursday



ExSergeant Offers U.K. Holidays With All (Nazi-Style) Amenities

SALISBURY, England, Sept. 10 (UPI) — Bob Acraman thinks he has come up with the ideal British vacation: three days in an imitation Nazi prison camp.

"They'll have a horrible time and they'll love every minute of it, or I'll want to know the reason why," barked Mr. Acraman, 41, a former army sergeant.

He has taken over a former army camp on the bleak Salisbury Plain and is inviting vacationers to spend £30 (\$72) for three November days behind barbed wire, guarded by gun-carrying guards in German uniforms with watch towers around the perimeter.

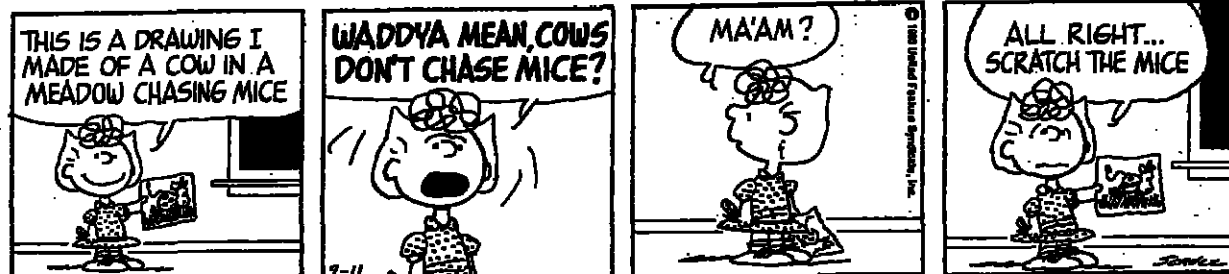
Mr. Acraman promises "a nice line in psychological interrogation" for inmates, who will be dared to try to escape.

"There'll be plenty of fog, rain and frost for our 2 a.m. searches," he said.

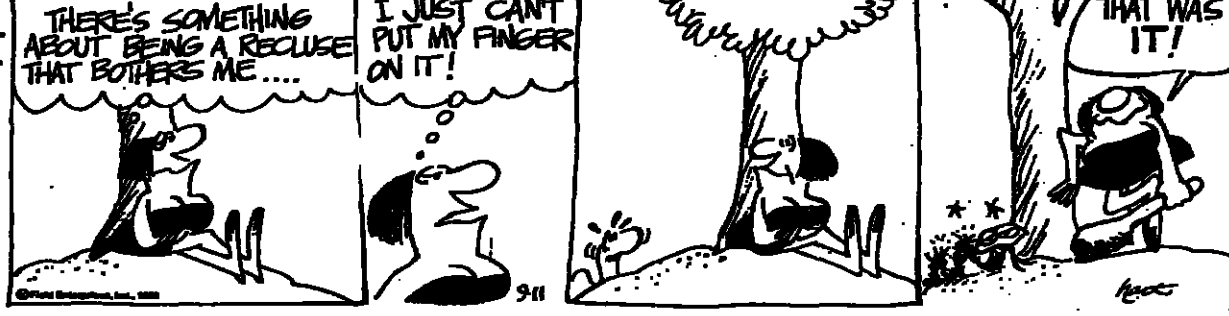
"The food will be first-class prison nosh — thin soup and stale bread. And there'll be no fires in the huts."

Mr. Acraman claims demand for his vacation is heavy. "There are plenty of crazy people around like me who love being locked up and made to suffer behind barbed wire," he said.

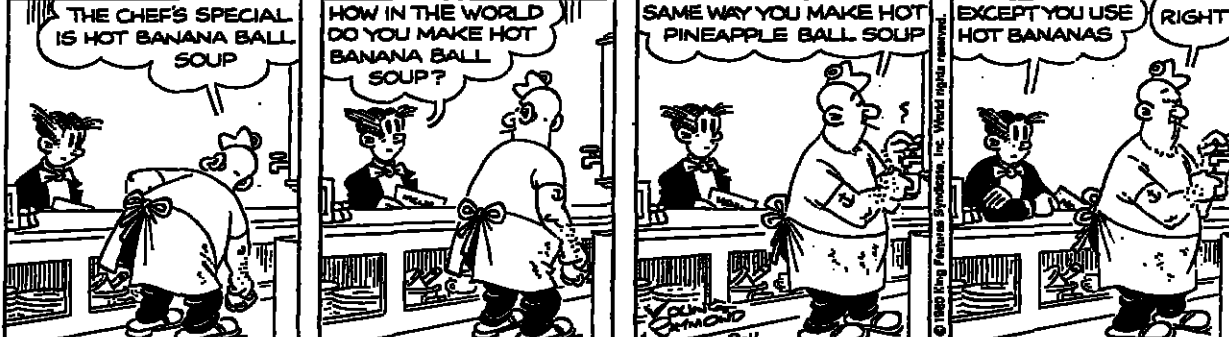
PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



WIZARD OF ID



REX MORGAN



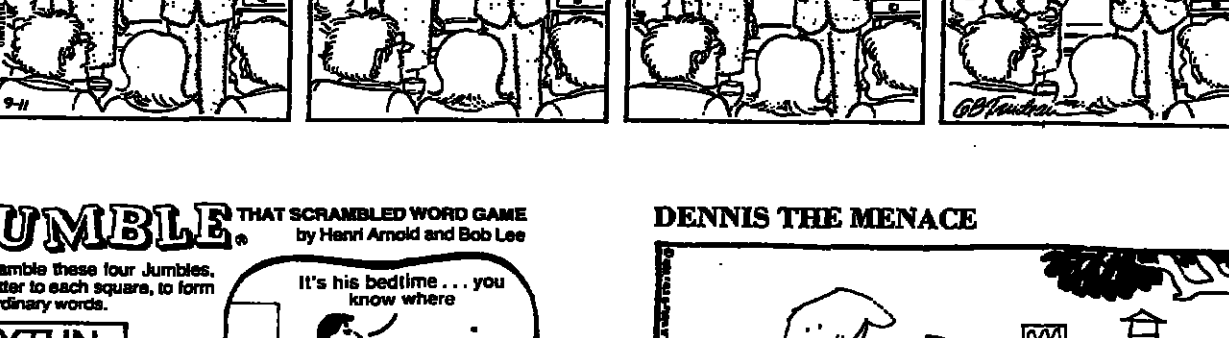
DOONESBURY



JUMBLE



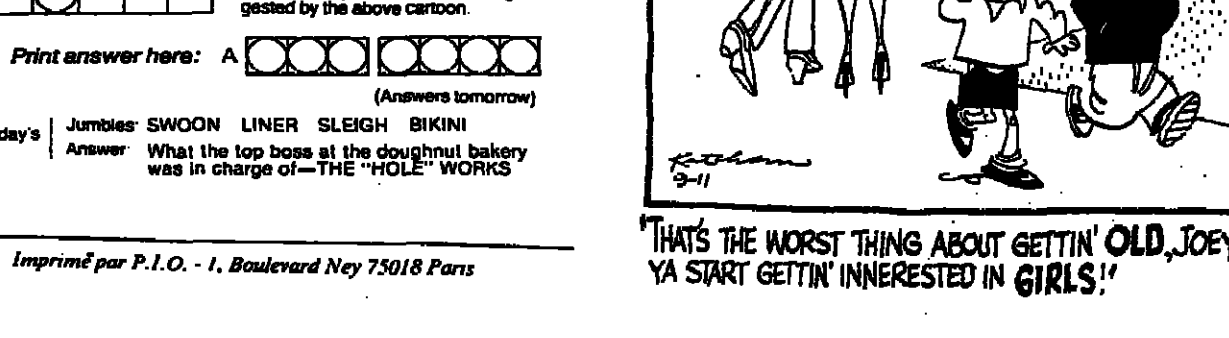
DENNIS THE MENACE



JUMBLE



DENNIS THE MENACE



BOOKS

THE QUESTION OF SEPARATION: Quebec and the Struggle over So

By Jane Jacobs. Random House. 134

Reviewed by John Leonard

I miss Jane Jacobs. Why is she living in Toronto instead of New York? I miss her practical intelligence and her felicitous style, the intelligence and style that made books such as "The Death and Life of Great American Cities" and "The Economy of Cities" a provocation and a joy. And why, if she must live in the English-speaking province of Ontario, does she argue for the secession of the predominantly French-speaking province of Quebec from a federalized Canada?

"The Question of Separation" originated as a series of lectures by Jacobs on radio for the Canadian Broadcasting Corp. last year. In the referendum this year, 59 percent of voting Quebecers said "no" to independence, or to what their premier, René Lévesque, calls "sovereignty-association." Jacobs would have voted "yes." In behalf of what?

In behalf, she explains, of cultural diversity, of entrepreneurial spirit, of small-scale energy and experiment. She waves no bloody flags. She concedes at the outset that, compared with Ireland and Scotland, "the history of Quebec is a gentle story indeed." But it is a story that won't go away, and it has become noisier with the removal of rural Quebecers to Montreal in the 1960s and 1970s, a new self-consciousness, a sense of threatened tradition.

Better Off

In the opinion of Jacobs, Canada would be better off without a province of Quebec, or at least no worse off than it already is. As the politicians sit down, in the wake of the referendum, to work on a new constitution, they face problems almost preposterous in their complexity: veto power invested in one province over the rest; the condominium of two national languages, ambition and greed and paranoia. Since Quebec, according to most statistical accounts, is pretty much even in terms of how much money it renders unto the Ottawa Caesar and how much it gets back, why not let it go and see what happens? There is precedent for such peaceful separation. Norway was more or less owned by Sweden from 1814 to 1905; the Swedes were more or less patient and understanding while Norway beat the drums of autonomy; when there was a choice between war and concessions, the Swedes conceded. Norway, without a shot fired, achieved independence, although it took 91 years.

That Norway is the only precedent for a peaceful secession of one contiguous landmass from another does not deter Jacobs from analogizing wickedly. She has her doubts, as most of us should, about the wisdom of the "imperial nation"; she would prefer smaller units. But she also uses Norway as a stick to beat Canada.

Norway, much smaller than Quebec, does a better job of importing and exporting than Canada, which is much bigger than Sweden. Jacobs is at her most intelligent and most delicious on the subject of Canadian economics. The Norwegians and Swedes know how to innovate, to produce a diversity of manufactured things associated with their service industries, while Canada — including for now Quebec — guts its natural resources for a get-rich-quick profit and ends up looking like a colony to any competent economist.

Why on this rich earth should Canada, of all nations, import

John Leonard is The New York Times

Early Sign Of Neptu Galileo C

WASHINGTON — An astronomer says an astronomer named Galileo Galilei apparently saw Neptune without knowing it. The astronomer, Charles Kowal, said records of Galileo's observations of the planet Neptune, which was discovered in 1930, showed that Galileo saw the planet in 1613.

Galileo, who discovered the four largest moons of Jupiter, was in Rome in 1613, when he was 61 years old. He was looking for comets when he saw Neptune.

Galileo's discovery of Neptune was a major breakthrough in astronomy. It was the first time that a planet had been discovered since the ancient Greeks.

Galileo's discovery of Neptune was a major breakthrough in astronomy. It was the first time that a planet had been discovered since the ancient Greeks.

BRIDGE

By Alan

THE information a declarer needs to plan the most effective line of play normally rolls in naturally from the bidding and defense. But in some rare situations he must make a "discovery play" actively aimed at uncovering what he needs to know about the opponents' high cards or distribution. This technique could have saved South on the diagrammed deal.

The opening one-heart bid by South was raised to two, and he had just sufficient strength to make a move toward game. The usual method of invitation is to bid a suit containing two or three potential losers, to indicate to the responder the area in which help would be welcome.

This may help the responder in some close situations, but here he had a maximum raise and would have accepted any move toward game. The opening lead against four hearts was the club ten, and the first trick was revealing: the two from dummy, the jack and the queen. South could be fairly certain that East had begun with a doubleton A-J.

South led a low diamond out of his hand, preparing to ruff his diamond losers in the dummy.

Now South needed to lead a spade, and perhaps that he self-unluckily to be overruled by a discovery!

Thanks to the inference first trick, he could be certain that at this point West has clubs and one major suit.

He knew whether that suit trump, he would make the correct play, he would make the correct play, he would make the correct play.

The right play in the disposition was to lead a spade throw the club loser. When discarded a club, South has known that the two trump trumps were divided, and he safely ruff East's lead of a high. If West had followed spades, it would have been ruff low when East played a since both missing trumps surely be on the right.

Both sides were vulnerable. The bid:

Deal: South West North

Pass 10 Pass 20

Pass 30 Pass 40

Pass 40 Pass 50

Pass 50 Pass 60

Pass 60 Pass 70

Pass 70 Pass 80

Pass 80 Pass 90

Pass 90 Pass 100

Pass 100 Pass 110

Pass 110 Pass 120

Pass 120 Pass 130

Pass 130 Pass 140

Pass 140 Pass 150

